

LO Funds – Global Responsible Corporate Fundamental (USD) S Fact Sheet

Smart Beta • Fixed Income

31 August 2018

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	6 December 2012
Currency of Fund	USD
Currency of share class	USD
Fund manager	Y. Zufferey, J. Collet, A. Parker
Net assets (all classes)	USD 257.22 million
Number of positions	873
Liquidity (sub./red.)	Daily, 12:00
Min. investment	To be defined
Management fee	0.00%
Distribution fee	0.00%
FROC	0.08%
TER max (31 March 2018)	0.08%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

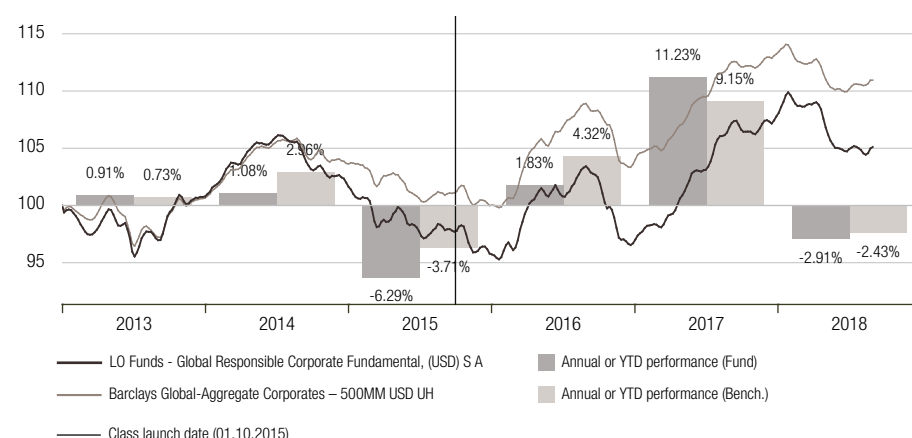
CODES

	Class A
ISIN	LU0857975816
Bloomberg	LOGCUSA LX
NAV	USD 10.51

HIGHLIGHTS

LO Funds - Global Responsible Corporate Fundamental is a systematic rule-based UCITS portfolio. Its long-only corporate bond strategy has been in place since December 2012. It invests mainly in EUR, GBP and USD denominated investment grade corporate bonds, applying an Environment, Social and Governance (ESG) and a low carbon intensity filter. It seeks to replicate the LOIM Global Corporate Index and achieve higher risk-adjusted returns than traditional investment grade indices. The investment approach is two-fold: a beta allocation based on LOIM's fundamentally weighted methodology, which differs from a traditional market-cap approach by allocating to regions, sectors and companies based on fundamental criteria; and a credit risk monitoring component aiming to further mitigate the credit default risk through an ongoing monitoring of issuers fundamentals by our team of credit analysts. Risk management is performed by fund managers at a portfolio level, alongside independent teams who oversee investment risks and operational risks.

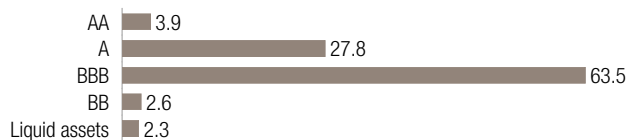
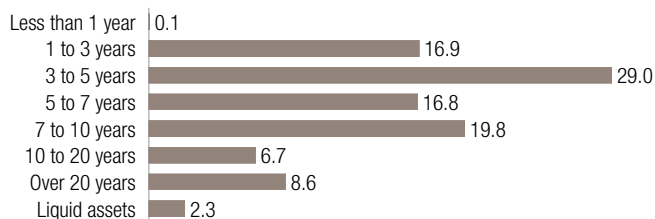
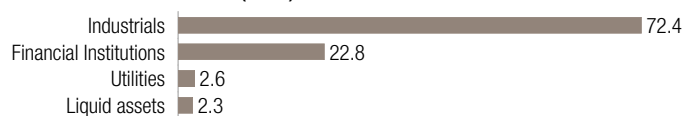
NET PERFORMANCE AND ANNUAL PERFORMANCE IN USD Dec 31, 2012 - Aug 31, 2018



Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN USD	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	-2.91%	-2.43%	-	-
1 month	-0.04%	0.16%	-	-
3 months	0.02%	0.39%	-	-
1 year	-1.56%	-1.26%	-	-
3 years	7.74%	10.26%	2.50%	3.29%
5 years	8.40%	13.86%	1.62%	2.62%
Total return (since 06.12.2012)	5.14%	-	0.88%	-

STATISTICS 31.08.2013 - 31.08.2018			Fund	
	Fund	Bench.	Fund	
Annualised volatility	5.04%	3.91%	Average maturity	7.16
Sharpe ratio	0.16	0.47	Average rating	A-
Max. drawdown	-10.41%	-5.88%	Modified duration	5.71
Correlation		0.936	Yield to maturity	2.45%
Tracking error		1.94%	Number of positions	873
			Non Government Bonds	97.74%

CREDIT RATINGS (IN %)**MATURITIES (IN %)****PORTFOLIO BREAKDOWN (IN %)****CURRENCIES (IN %)****MONTHLY RETURNS**

IN %	2013		2014		2015		2016		2017		2018	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	-0.6	-0.3	0.8	0.8	-1.2	0.2	-0.3	0.0	1.2	0.8	1.9	0.6
February	-1.5	-0.5	2.1	1.7	-0.2	-0.5	0.3	0.7	0.4	0.7	-2.0	-1.8
March	-0.3	-0.2	-0.1	0.1	-2.2	-1.1	4.9	3.9	0.2	-0.0	0.7	0.4
April	2.8	2.5	1.5	1.3	1.7	0.8	1.3	1.4	2.0	1.4	-1.4	-1.1
May	-2.4	-2.3	0.3	0.7	-1.4	-1.1	-1.0	-0.8	2.1	1.7	-2.1	-0.8
June	-2.3	-2.4	0.8	0.5	-0.9	-1.2	0.0	1.4	0.3	0.4	-0.3	-0.5
July	1.8	1.6	-1.0	-0.7	0.3	0.4	2.1	1.7	2.5	1.7	0.3	0.7
August	-0.5	-0.7	0.4	0.8	-0.6	-0.5	0.3	0.2	0.7	0.8	-0.0	0.2
September	2.6	1.9	-2.8	-2.3	-0.5	0.0	-0.0	-0.0	-0.1	-0.2		
October	1.4	1.4	-0.1	0.4	0.6	0.6	-3.3	-1.8	-0.1	0.1		
November	-0.0	-0.1	0.3	0.4	-2.0	-1.1	-2.6	-2.9	1.2	0.6		
December	0.1	0.1	-1.0	-0.7	-0.1	-0.3	0.4	0.5	0.5	0.8		
Year	0.9	0.7	1.1	3.0	-6.3	-3.7	1.8	4.3	11.2	9.2	-2.9	-2.4

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

- Credit risk: A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- Operational risk and risks related to asset safekeeping: In specific circumstances, there

may be a material risk of loss resulting from human error, inadequate or failed internal systems, processes or controls, or from external events.

- Model Risk: Models may be misspecified, badly implemented or may become inoperative when significant changes take place in the financial markets or in the organization. Such a model could unduly influence portfolio management and expose to losses.
- For more details about risk, see appendix B "Risk Factors" of the prospectus.

GLOSSARY

Credit Ratings: The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports). The Total Expense Ratio (TER) is calculated twice per year and is subject to change between calculation dates.

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better risk-adjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation

coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Bond Floor: The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

Delta: The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

Premium: If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Coupon: The interest rate stated on a bond when it's issued.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

Average Duration: The average modified duration of the portfolio expressed in years.

Expected Loss: Annual average expected loss to the portfolio expressed in percent.

Attachment Point: The modelled probability of a negative portfolio return in any given year.

FROC (Fixed Rate of Operational Costs): The Operational Costs cover expenses directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

DISCLAIMER

This document is intended as advertising material.

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The fund mentioned in this document (hereinafter the "Fund") is a Luxembourg investment company with variable capital (SICAV). The Fund is authorised and regulated by the Luxembourg Supervisory Authority of the Financial Sector (CSSF) as a UCITS within the meaning of EU Directive 2009/65/EC, as amended. The management company of the Fund is Lombard Odier Funds (Europe) S.A. (hereinafter the "Management Company"), a Luxembourg based public limited company (SA), having its registered office at 5, Allée Scheffer, L-2520 Luxembourg, authorized and regulated by the CSSF as a Management Company within the meaning of EU Directive 2009/65/EC, as amended. The Fund is only registered for public offering in certain jurisdictions. Consequently, the offering of the Fund's shares may be restricted in certain jurisdictions. Prospective investors must inform themselves of, and observe, such restrictions, including legal, tax, foreign exchange or other restrictions in their relevant jurisdictions. Neither this document nor any part of it shall form the basis of, or be relied on in connection with, any contract to purchase or subscription for the Fund's shares. **Any such acquisition may only be made on the basis of the official documents of the Fund each in their final form.** The articles of association, the prospectus, the Key Investor Information Document, the subscription form and the most recent annual and semi-annual reports are the only official offering documents of the Fund's shares (the "Offering Documents"). They are available in English and in French, free of charge, and in hardcopy at the registered office of the Fund or of the Management Company, from the distributors of the Fund or from the local representatives as mentioned below.

Spain. Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV). Representative: Allfunds Bank S.A. C/Nuria, 57 Madrid.

Important information on benchmarks: Any benchmarks or indices included in the factsheets are for information purposes and any past performance is not a guarantee of future performance. No benchmark/index is directly comparable to a fund's investment strategy and investors should not assume there is any direct correlation between an index/benchmark's performance and that of a fund. Investors should note that for hedged share classes, the performance index hedging methodology will replicate that of the relevant share class and may include benchmark performance simulated by the Investment Manager in order to replicate the relevant share class mechanism.

Important information on target performance/risk: Target performance/risk represents a portfolio construction goal. It does not represent past performance/risk and may not be representative of actual future performance/risk.

Important information on portfolio composition: The portfolio information provided in this document is for illustrative purposes only and does not purport to be recommendation of an investment in, or a comprehensive statement of all of the factors or considerations which may be relevant to an investment in, the referenced securities. They illustrate the investment process undertaken by the manager in respect of a certain type of investment, but may not be representative of the Fund's past or future portfolio of investments as a whole and it should be understood that they will not of themselves be sufficient to give a clear and balanced view of the investment process undertaken by the manager or of the composition of the investment portfolio of the Fund. As the case may be, further information regarding the calculation methodology and the contribution of each holding in the representative account to the overall account's performance can be obtained by the Fund or the Management Company.

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