

## Monthly Investor Report | September 2024

# Credit Suisse (Lux) Cat Bond Fund UBH EUR

## Fund information

|                               |       |
|-------------------------------|-------|
| Fund total net assets in mUSD | 96.26 |
| Share class TNA in mEUR       | 0.71  |
| Management fee p.a.           | 0.90% |
| MTD (net) return              | 2.58% |
| QTD (net) return              | 8.74% |
| YTD (net) return              | 9.99% |

## Fund details

|                         |                               |
|-------------------------|-------------------------------|
| Investment Manager      | Niklaus Hilti, Fabian Wochele |
| Fund launch date        | 18.01.2021                    |
| Share class launch date | 15.01.2021                    |
| Share class             | UBH                           |
| Share class currency    | EUR                           |
| Distribution policy     | Accumulation                  |
| Fund domicile           | Luxembourg                    |
| ISIN                    | LU2250180069                  |
| Valor no.               | 57853260                      |
| Bloomberg ticker        | CRLCBUE LX                    |
| Benchmark               | No Benchmark                  |

## Investment policy

Credit Suisse (Lux) Cat Bond Fund is an actively managed UCITS fund that aims to invest in a diversified portfolio of catastrophe bonds ("Cat Bonds"). Cat Bonds are financial securities that transfer insurance risk to the capital markets. Cat Bonds are typically floating rate securities for which the total return consists of the collateral return and the coupon (i.e. reinsurance premium), in the absence of a pre-defined "trigger" event, for example a hurricane or an earthquake. If a trigger event occurs, the Fund may lose all or a portion of its principal invested in such a Cat Bond. The Fund is entitled to receive the return of its principal and interest payments so long as no trigger event occurs. The Cat Bonds are further selected according to ESG Factors as set out in the Euler ILS ESG Framework and defined in the SFDR Annex of the prospectus. The Fund qualifies as a financial product under Art. 8 (1). Furthermore, the Fund seeks in principle to achieve a low correlation to the returns of traditional asset classes.

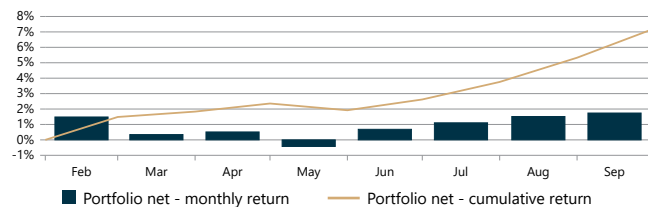
## Market commentary

During September, the primary Cat Bond market saw one issuance come to market in the form of a Cyber risk Cat Bond. The secondary market experienced somewhat of a seasonal decline in trading activity with the latter part of the month being especially quiet and overall trading amount fell below the previous month level. Overall, the secondary Cat Bond market experienced a positive price development for the month. The Fund was active in the secondary Cat Bond market.

The most noteworthy events that occurred during September included Hurricanes Francine and Hurricane Helene as well as severe flooding in parts of Central Europe. For Hurricane Helene a separate event report was distributed to investors that provided more insight into the event. We continue to anticipate no notional loss on the positions in the portfolio. Also, mark-to-market reactions in the secondary Cat Bond market remained minimal due to this event.

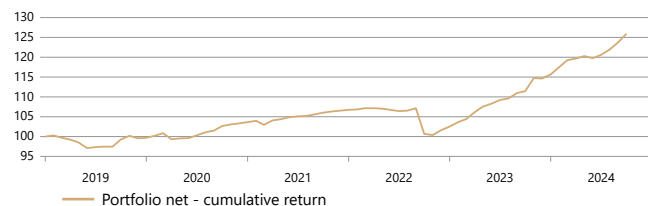
## Performance overview - monthly & cumulative

since 01.01.2024



## Performance overview - cumulative

since 15.01.2021



## Performance overview - monthly & YTD

since 01.01.2024, in %

|               | Jan  | Feb  | Mar  | Apr  | May   | Jun  | Jul  | Aug  | Sep  | Oct | Nov | Dec | YTD  |
|---------------|------|------|------|------|-------|------|------|------|------|-----|-----|-----|------|
| Portfolio net | 1.60 | 1.48 | 0.34 | 0.51 | -0.43 | 0.69 | 1.11 | 1.52 | 1.74 | -   | -   | -   | 8.87 |

## Performance overview - yearly

since 15.01.2021

|               | 2020 | 2021  | 2022  | 2023 | 2024 |
|---------------|------|-------|-------|------|------|
| Portfolio net | 3.42 | -1.33 | -8.46 | 6.23 | 9.99 |

Until 18.01.2021, the Fund had different characteristics and performance was achieved under circumstances that no longer apply. Merger with Lombard Odier Funds – CAT Bonds as per 18.01.2021.

## Performance overview in %

|               | Rolling Returns |          | Annualized Returns |         |         |
|---------------|-----------------|----------|--------------------|---------|---------|
|               | 1 month         | 3 months | 1 year             | 3 years | 5 years |
| Portfolio net | 1.74            | 4.43     | 12.91              | 5.90    | 4.86    |

## Risk overview - ex post in %

|                      | Annualized risk, in % |         |         |
|----------------------|-----------------------|---------|---------|
|                      | 1 year                | 3 years | 5 years |
| Portfolio volatility | 3.15                  | 4.73    | 3.89    |

## Key Figures

|                               |        |
|-------------------------------|--------|
| Yield to maturity             | 13.78% |
| Number of positions portfolio | 103    |
| Weight largest position       | 3.32%  |

## Key Risk Figures

|                        |         |
|------------------------|---------|
| 95% - Percentile (VaR) | -5.63%  |
| 99% - Percentile (VaR) | -23.54% |
| Expected Loss          | 3.01%   |

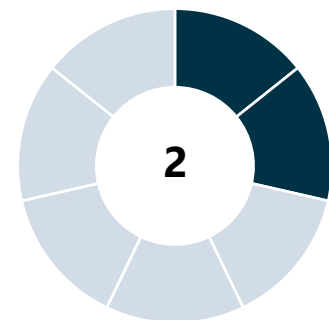
## Potential Risks

The Fund's risk and reward profile does not reflect the risk inherent in future circumstances that differ from what the Fund has experienced in the recent past. This includes the following events which are rare but can have a large impact.

- **Event risk:** In the case a trigger event occurs assets held by the Fund is written down and thus may lose substantially in value.
- **Portfolio concentration risk:** For example due to the limited number of independent insurance perils that are covered by Cat Bonds
- **Residual credit risk:** For example due to exposures to certain issuers of securities in which the collateral held in the Cat Bond trust account is invested. Issuers of assets held by the Fund may not pay income or repay capital when due. The Fund's investments generally have low credit risk.
- **Liquidity and valuation risk:** For example due to ongoing insurance events and / or due to changes in market expectations of the final losses related to insurance events that have occurred. Assets cannot necessarily be sold at limited cost in an adequately short timeframe. The Fund's investments may be prone to limited liquidity. The Fund will endeavor to mitigate this risk by various measures. Please find the details about redemption frequency in Key facts section.
- **Model risk and risk assumption:** For example due to highly uncertain assumptions that could be based on subjective judgment to a certain degree and / or due to the difficulty in predicting type, frequency and severity of catastrophic events.
- **Counterparty risk:** Bankruptcy or insolvency of the Fund's derivative counterparties may lead to payment or delivery default. The Subfund will endeavor to mitigate this risk by the receipt of financial collateral given as guarantees.
- **Operational risk:** Deficient processes, technical failures or catastrophic events may cause losses.
- **Regulatory Political and Legal risks:** For example due to unanticipated changes in insurance regulations to which the cat bond is exposed to, such as retrospective modifications of insurance laws that might make insurers (and by consequence, reinsurers) responsible for business interruption losses from insured's policies caused by COVID-19, notwithstanding the requirement of "physical damage" and other policy limitations.
- **Sustainability risks:** Sustainability risks are environmental, social or governance events or conditions that can have a material negative effect on the return, depending on the relevant investment exposure.
- **Other risks include, but are not limited to:** Failure to achieve investment objectives, illiquidity risk/redemption right limitation, foreign exchange risks, tax risks, uncertainty of loss estimates and their development over time, risk of correlation with other asset classes, risk of cyclical fluctuations, limited ability to hedge, reliance on certain lossrelated information, risk of indemnity, index or hybrid triggers, risk of maturity extension, risk of "follow the fortunes", risk of limited operating history and resources of issuers.

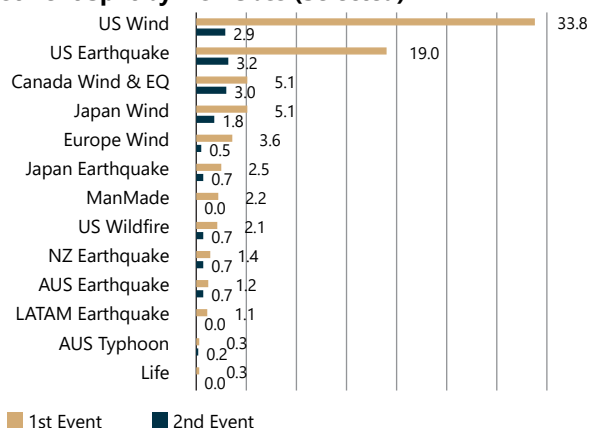
## Risk profile

PRIIP SRI

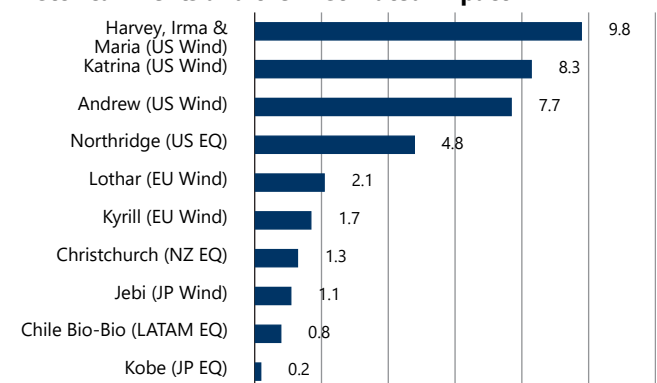


Larger values (up to 7) indicate higher risk while lower values (up to 1) indicate lower risk.

## Investment Split by Risk Class (Selected)



## Historical Events and their Estimated Impact



## Fund Statistics - ex post

|                        | 3 years Portfolio | 5 years Portfolio |
|------------------------|-------------------|-------------------|
| Maximum drawdown, in % | -6.32             | -6.32             |

## Key facts

|                                |                                    |
|--------------------------------|------------------------------------|
| Fund management company        | Credit Suisse Fund Management S.A. |
| UCITS                          | Yes                                |
| SFDR Classification            | Art. 8                             |
| Accounting year end            | 30. Nov                            |
| Ongoing charges                | 1.74%                              |
| Subscription frequency         | Weekly                             |
| Subscription settlement period | T+3                                |
| Redemption frequency           | Weekly                             |
| Redemption settlement period   | T+3                                |
| Cut-off time                   | 15:00 CET                          |
| Swinging single pricing (SSP*) | Yes                                |

## ESG Approach

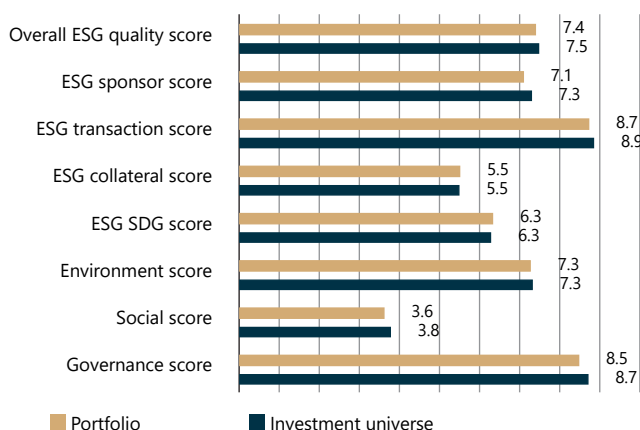
This fund promotes environmental, social and governance (ESG) characteristics (within the meaning of Art. 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector). It applies the Euler Sustainable Investing Policy ([www.euler.ltd/en/sustainable-investing](http://www.euler.ltd/en/sustainable-investing)), including norms-based, values-based and business conduct exclusions to Sponsors of CAT Bonds. Euler ILS Partner Ltd. ("Euler") has adopted a Euler ESG Framework that directs and governs activities related to sustainable investing. The Euler ESG Framework defines how ESG Factors are taken into account by the Investment Manager to identify Cat Bonds and to reach the Fund's long-term investment objectives and principles, while managing certain Sustainability Risks. For further information about the ESG investment criteria and the sustainability-related aspects of the fund please consider the legal and regulatory documents of the fund (such as, e.g., the prospectus). In addition to sustainability-related aspects, the decision to invest in the fund should take into account all objectives and characteristics of the fund as described in its prospectus, or in the information which is to be disclosed to investors in accordance with applicable regulations.

## ESG Characteristics

ESG Benchmark
  Exclusion Criteria
  ESG Integration
  Active Ownership
  Sustainable Investment Objective

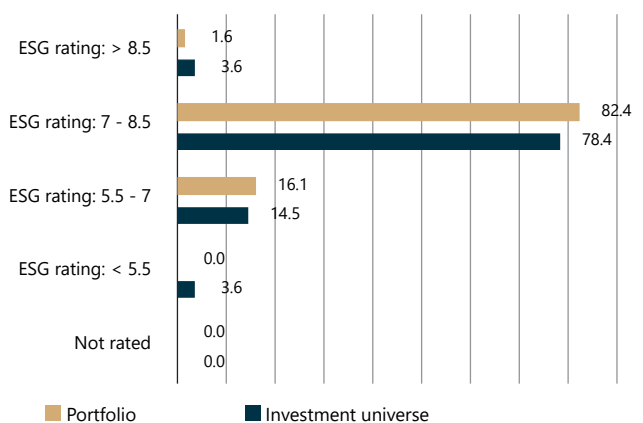
## ESG Overview

According to Euler proprietary methodology. Portfolio composition against investment universe. Ranges from 0 (very poor) to 10 (very good) based on the Euler proprietary ILS ESG scoring methodology.



## Asset breakdown by Overall ESG CAT Score

In % of total exposure. Portfolio composition against investment universe. Source: Euler proprietary ESG scoring methodology.



## Glossary

|  |   |
|--|---|
| Accumulating                                     | Indicates a regular reinvestment of the dividends received in the portfolio itself  |
| Annualized return                                | A measure of how much an investment has increased on average each year during a specific period.  |
| Annualized risk                                  | Annualized risk is a statistic, which is used to measure the risk of a fund by describing the range of returns, which were achieved in the observation period are most likely to be achieved. Greater volatility implies greater risk.  |
| ESG aware  | This product undertakes investments that explicitly assess and integrate the sustainability characteristics of companies in the investment process.   |
| Euler proprietary ILS ESG scoring methodology    | The Investment Manager has a comprehensive ESG Framework ("Euler ILS ESG Framework") in place that directs and governs the integration of certain environmental and social characteristics into the investment process. Please refer to the prospectus for more details.  |
| ESG benchmark                                    | A ticked 'ESG benchmark' box reflects that the ESG section in this document compares the ESG performance of the portfolio with an ESG index. The fund does not use a reference benchmark to attain the environmental and/or social characteristics promoted.  |
| Ex post  | Refers to metrics based on historical data.   |
| Expected annual no-loss yield                    | The expected annual no-loss yield represents the total return anticipated if all instruments in the portfolio are held until maturity and includes a short term interest rate representing the expected collateral return. "No-loss" means in the absence of any catastrophe events causing a notional loss. It does not take into account costs, changes in the portfolio, market fluctuations and potential defaults.   |
| Investment universe                              | The investment universe is composed of all relevant cat bonds in the cat bond market.   |
| Key risk figures                                 | Key risk figures (i.e. 95% and 99% - percentile annual VaR as well as the annual expected loss) are based on actual portfolio position data. All risk figures are modeled numbers produced using a third-party vendor catastrophe risk model and are subject to modeling uncertainty and change in assumptions over time. The risk model employs Monte Carlo type simulations where several hundred thousand of catastrophe events are generated and their financial impact on the portfolio is calculated.<br>The annual expected loss is the simulated average loss per annum. The 95% and 99% - percentile annual VaR figures result from the expected annual no-loss yield in USD minus the modelled annual aggregated losses corresponding to the respective percentile.   |
| Maximum drawdown                                 | Represents the worst possible result (in percentage terms) that occurred during the period being analyzed.  |
| MTD  | Month-to-date   |
| NAV  | Net Asset Value   |
| Not scored                                       | This category is composed of all securities within the investment universe for which a rating has not been determined. Generally, all relevant cat bonds in the cat bond market are scored by the investment team. However, there could be investments without scoring (e.g. materiality and/or timing related).  |
| Ongoing Charges                                  | The calculation of the ongoing charge is based on the Committee of European Securities Regulators/10-674 Directive. For a maximum of 12 months from fund fiscal year end and since inception, the ongoing charges figure is based on estimated expenses. After that, the ongoing charges correspond to the TER of the last annual report. It excludes performance fees and portfolio transaction costs, except in the case of an entry/exit charge paid by the fund when buying or selling shares/units in another collective investment undertaking.   |
| Overall ESG CAT Score                            | The Investment Manager integrates ESG Factors on three levels when investing into a new Cat Bond: Sponsor level, Transaction Level and Collateral level. For each of these three levels a proprietary ESG assessment is conducted and an ESG score is calculated by the Investment Manager, which feeds into an "Overall ESG CAT Score" on Cat Bond level. Additionally, the Investment Manager maps a Cat Bond, if applicable, to one or more of the selected United Nations Sustainability Development Goals (SDGs) as defined in the CSILS ESG Framework. The Investment Manager employs quantitative thresholds on the total insured value of the Cat Bond transaction for that purpose, or on the risk capital which is freed up through a Cat Bond insurance transaction and is utilized to contribute to sustainability projects. Based on this mapping, the Bond receives a "Thematic Investing Score", which also feeds into the Overall ESG CAT Score. The Overall ESG CAT Score is factored into the Investment Manager's investment decision and portfolio construction process. The Overall ESG CAT Score ranges from 0-10, 10 reflecting the highest ESG score. |
| QTD  | Quarter-to-date   |
| Sustainable Finance Disclosure Regulation (SFDR) | Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector.   |
| Sustainable investment objective                 | Where the 'sustainable investment objective' box is ticked, this means that the product implements investment strategies that allocate capital into investments that offer solutions to society's challenges and meet a sustainable investment objective. The sustainable investment objective is achieved through a dedicated investment process focusing on investments addressing specific ESG challenges. An unticked box reflects that the product does not aim to meet a sustainable investment objective.  |
| Swing Pricing                                    | A method used to calculate the net asset values of investment funds. Which allows transaction costs arising from subscriptions made by incoming investors and redemptions made by outgoing investors to be borne by the incoming and outgoing investors, rather than existing investors.  |
| TNA  | Total Net Assets  |
| YTD  | Year-to-date  |

## Warning statements

|                         |  |
|-------------------------|--|
| Asset breakdown         | Indicative allocation may change over time. All holdings are shown strictly for information purposes only and do not constitute investment recommendations of Euler. Please note that this does not constitute an offer or a solicitation to buy or sell any interest or any investment. |
| Swinging Single Pricing | For more details, please refer to the relevant chapter "Net Asset Value" of the fund's prospectus.   |
| Performance start date  | Performance calculation and presentation start with the first full month of an invested strategy. This can lead to a difference in launch and performance start dates.   |
| PRIIP SRI               | The Summary Risk Indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets.   |

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The risk factors listed herein represent potential risks. These risk factors are not intended to be comprehensive. Any decision to invest should take into account all the characteristics or objectives of the fund as described in its prospectus, or similar legal documentation. Please consult the confidential offering memorandum or consult your relationship manager for more details. The performance of such insurance-linked investments depends on unpredictable factors such as natural catastrophes, climate influences, hauling capacities, political unrest, seasonal fluctuations and strong influences of rolling-forward, particularly in futures and indices. Prospective investors should independently and carefully assess (with their tax, legal and financial advisers) the specific risks described in available materials, and applicable legal, regulatory, credit, tax and accounting consequences prior to making any investment decision. 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**Information regarding performance**

The illustrated performance shows the Net Asset Value per share and takes into account all costs on fund level (such as management fees). It does not take into account costs incurred on the issue and redemption of fund units, entry charges (where applicable), as well as all costs on client level (such as clients' securities account fees), which would have a negative effect on the fund's performance if they were included.

**Information regarding historical performance**

Historical performance indications and financial market scenarios are not reliable indicators of current or future performance.

**Important information regarding yield-to-maturity and risk figures**

Yield-to-maturity (YTM): The YTM is based on actual portfolio data and represents the current income from all positions (asset-weighted) in the Fund including the expected collateral yield. Risk figures, such as the "Expected Loss", "95% - percentile (annual VaR)" and "99% - percentile (annual VaR)" are based on actual portfolio data. These are modeled figures produced by using the catastrophe risk model from third party risk modelling firm and, as a result, are subject to modeling uncertainty and changes in risk assumption over time. In general, these risk analysis figures are also subject to modeling uncertainty and changes in risk assumption over time.

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**Important information about sustainable investing strategies**

Sustainable investing strategies aim to consider and incorporate environmental, social and governance (ESG) factors into investment process and fund construction. Strategies across geographies and styles approach ESG analysis and incorporate the findings in a variety of ways. Incorporating ESG factors or sustainable investing considerations may inhibit Euler's ability to participate in or to advise on certain investment opportunities that otherwise would be consistent with the Client's investment objectives. The returns on a fund consisting primarily of sustainable investments may be lower or higher than funds where ESG factors, exclusions, or other sustainability issues are not considered by Euler, and the investment instruments available to such funds may differ. Companies, product issuers and/or manufacturers may not necessarily meet high performance standards on all aspects of ESG or sustainable investing issues.

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