



LOMBARD ODIER

INVESTMENT MANAGERS

Marketing Communication addressed to Professional Investors only. Please refer to the Prospectus of the UCITS and to the KID before making any final investment decisions.

Lombard Odier Funds is a variable capital investment company (SICAV) incorporated in Luxembourg as an Undertaking for Collective Investments in Transferable Securities (UCITS) subject to Luxembourg laws. This **marketing communication** relates to **Lombard Odier Funds** and its **Sub-Fund LO Funds – Global FinTech** and is addressed to professional investors domiciled in [Austria (AT), Finland (FI), France (FR), Germany (DE), Italy (IT), Liechtenstein (LI), Luxembourg (LU), Netherlands (NL), Norway (NO), Spain (ES) and Sweden (SE). In Switzerland (CH), the Sub-Fund is registered with the Swiss Federal Financial Market Supervisory Authority (FINMA) and this document is Advertising addressed to Swiss qualified investors. In Germany, this document is also intended for certain Semi-Professional investors who are familiar with and capable of evaluating the merits and risks associated with instruments such as those described herein. In the United Kingdom (GB), the Sub-Fund is a Recognised Scheme and this document is a Financial Promotion approved at the date of publishing. In Singapore (SG), the Sub-Fund is a Restricted Scheme and this document is part of the Information Memorandum] It is not appropriate for Belgian retail investors unless the investment subscription is more than EUR 250,000.

Prohibition: US person.

Date of publishing/approval: July 2024.

AI, Cybersecurity & Tokenisatie in FinTech

FFP Event, 2 October 2024 Nieuwegein



Ratings and awards subject to change without notice. 'Towards Sustainability' quality standard (for sustainable financial products) and label were developed on the initiative of Febelfin.

Source for more information: www.towardsustainability.be

Introducing FinTech

- FinTech is not a hype but a sustainable long-term trend capturing the digitalization of the financial sector
- A large, liquid and broad universe of listed FinTech companies
- Concentrated portfolio of high-quality structural compounders

LO Funds – Global FinTech: combines expertise on financials with an understanding of technology by a diversified and experienced team of portfolio managers with a strong track record

Source: LOIM. For illustrative purposes only. Views and opinions expressed are for informational purposes only and do not constitute a recommendation by LOIM to buy, sell or hold any security. Views and opinions are current as of the date of this video and may be subject to change. They should not be construed as investment advice.

1 · Lombard Odier Investment Managers - Please read important information at the end of the document.

Why invest in LO Funds – Global FinTech?

01

Disciplined “*quality growth at a reasonable price*” portfolio management style

02

Barbell investment approach enabling us to navigate a multitude of market conditions

03

Proprietary investment universe of more than 300 pure-play-FinTech companies ranging from payments to disruptive technologies, no FAANG

04

Distinctive approach to cybersecurity; a critical factor for digital companies

05

Why now? Unprecedented combination of attractive valuation and strong fundamentals

The LO Funds – Global FinTech provides an attractive quality portfolio in this challenging environment

Source: LOIM. For illustrative purposes only. Past performance is not a guarantee of future results.

LO Funds – Global Fintech

Summary

WE FOCUS ON

- ✓ Structural growth at reasonable price
- ✓ Quality companies
- ✓ High purity to FinTech
- ✓ Picks and shovels approach to innovation
- ✓ Enabling Technology, Established and Upcoming Fintech
- ✓ Strict holding limits

WE DON'T INVEST IN

- ✗ Short-term hypes
- ✗ Loss making hyper revenue growth companies
- ✗ Expensive technology
- ✗ FAANG/platform companies
- ✗ Cryptocurrency, Traditional banks, ETF
- ✗ High single stock risk

Source: LOIM.

Investment team: Combining financials & technology with trends experience



JEROEN VAN OERLE

Co-Portfolio Manager

11 years experience

Covering technology

Jeroen joined LOIM in February 2020, having previously worked/studied at:

- Robeco: Lead-PM for the Robeco Global FinTech Equities fund from 2017 to 2020, and trends analyst from 2013 to 2017.
- Has held supervisory- and advisory-board positions at private FinTech companies since 2018
- Erasmus University (Rotterdam): Master's degree in Financial Economics with honours
- Maastricht University: two bachelor with majors in finance, accounting and econometrics
- CFA charter holder



CHRISTIAN VONDENBUSCH

Co-Portfolio Manager

25 years experience

Covering financials

Christian joined LOIM in February 2020, having previously worked/studied at:

- Robeco: PM for the Robeco New World Financials Equities fund and member of the Financials/FinTech team. PM of European Equities and Financials Equities strategies. 1999 to 2020.
- Maastricht University: Master's degree in Economics
- CFA charter holder.

RESEARCH TEAM (50+ FTEs)

Market leading research



FUNDAMENTAL

ROADMAPS

ALIGNMENT

SYSTEMATIC

- System Changes
- Financial analysis
- Environmental Sciences & Economics

- Geospatial Sciences
- Public Policy & Regulation
- Engineering

Research partnerships



Source: LOIM, as at January 2024. Investment team subject to change.

LOIM Sustainability Research Team

CORE Strategies leverage the work from Alignment, Stewardship and Systematic Research Teams

Sustainability Research Team

Headed by Thomas Hohne-Sparborth

Roadmap and Fundamental Research

Top-down system change research

Bottom-up equity research

Alignment

Integration & SFDR

Green bonds

Sustainable investment assessment

Systematic Research

Climate and ESG Data & Metrics

Clients & reporting

New technologies

Stewardship

Proxy voting

Engagement

Teams subject to change.
Source: LOIM, July 2024.



Global FinTech

Five trends for the next decade

LOMBARD ODIER
INVESTMENT MANAGERS

Our FinTech core beliefs

Financial services and companies are changing rapidly through the embracing of digital technologies



The world will possibly move towards a fully cashless society



Digital finance could aid financial inclusion



Digitalisation lowers barriers to entry, improves efficiency and enables new financial services



The rise of technology ecosystems



Cybersecurity as a basic necessity for all digital financial services

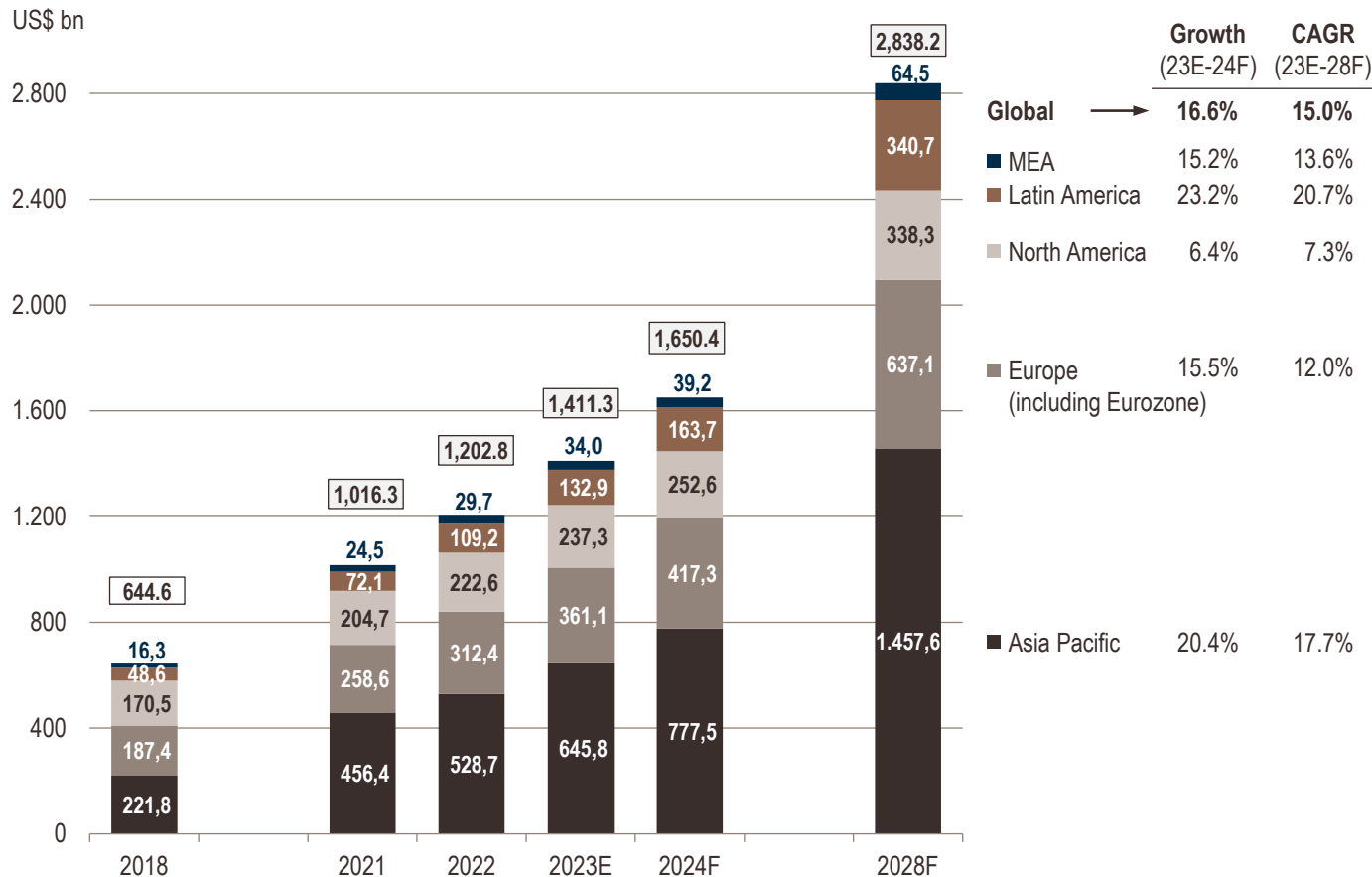
The LO Funds - Global FinTech aims to capture these opportunities through a high-conviction portfolio

Source: LOIM. For illustrative purposes only. There can be no assurance that these results will be achieved or that there will be a return on capital.

7 · Lombard Odier Investment Managers - Please read important information as well as the Glossary at the end of the document.

The world will possibly move towards a fully cashless society

Increasingly mature digital payments infrastructure fuels non-cash transaction growth (billions), by region, 2022-2028F



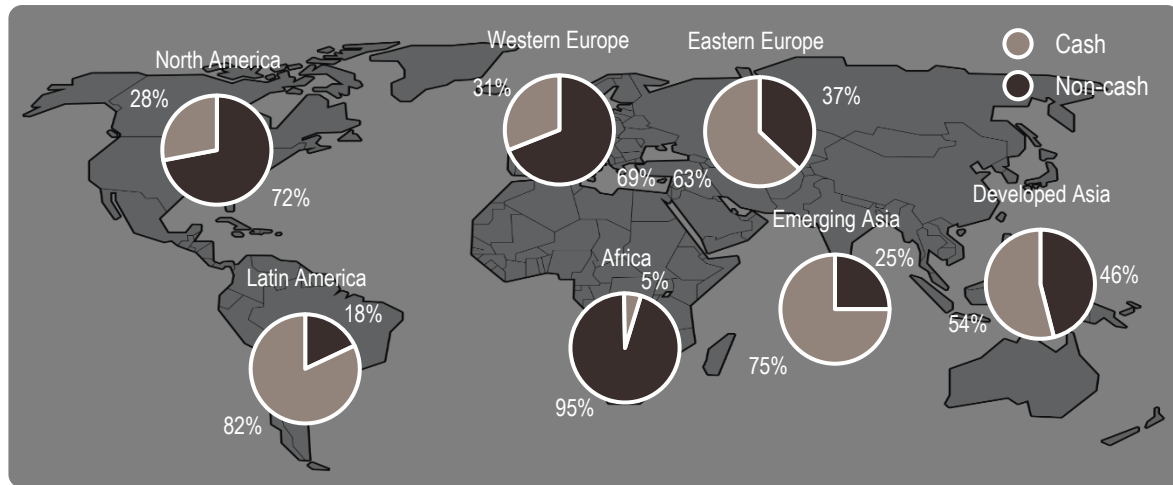
10%+ growth digital payments

- Replacement of cash transactions with digital payments will continue for decades

Sources: Capgemini Research Institute for Financial Services, 2024; ECB Statistical Data Warehouse, BIS Statistics Explorer, countries' central bank annual reports. For illustrative purposes only. Note: 2021 non-cash transaction data is sourced from central banks. Forecasted figures were used when data was unavailable. Figures are forecasted for 2022 and beyond.

The world will possibly move towards a fully cashless society

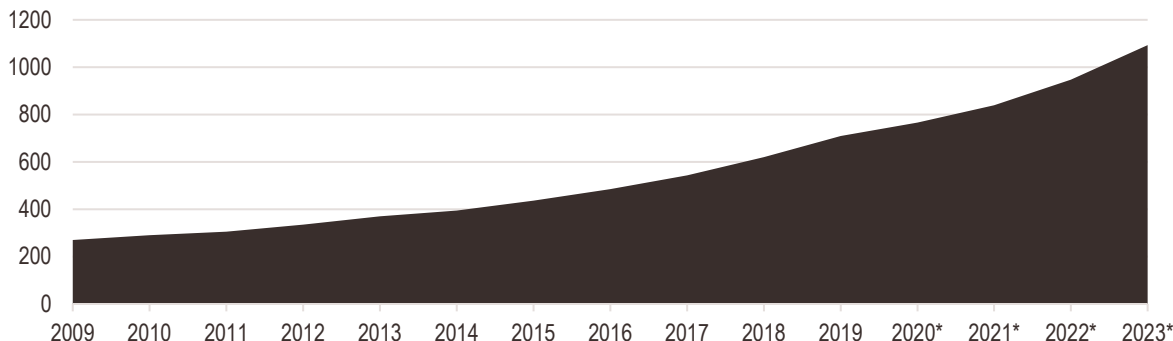
Cashless payment adoption differs around the world



10%+ growth digital payments

- The growth of digital payments is structural and accelerating.
- Singapore and the Netherlands are in the lead. Italy, Greece and most emerging markets remain cash minded.

Global Cashless Transaction (US\$ bn)

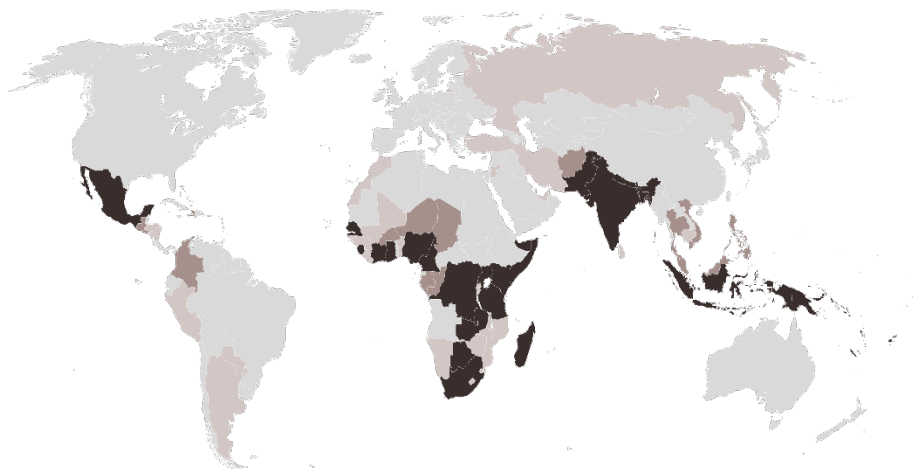


Sources: LOIM analysis. MCKinsey 2018 and Statista 2021. *Estimates. For illustrative purposes only.

Digital finance could aid financial inclusion for all

Increase in mobile money penetration in emerging markets

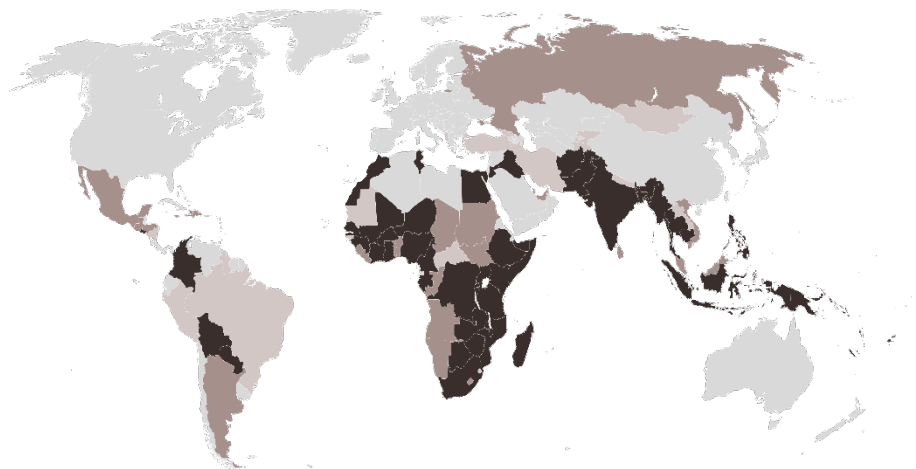
Number of live mobile money services in 2012, by country



169 Services
in 71 countries

 1 service  2 services  3 or more services

Number of live mobile money services in 2021, by country



316 Services
in 98 countries

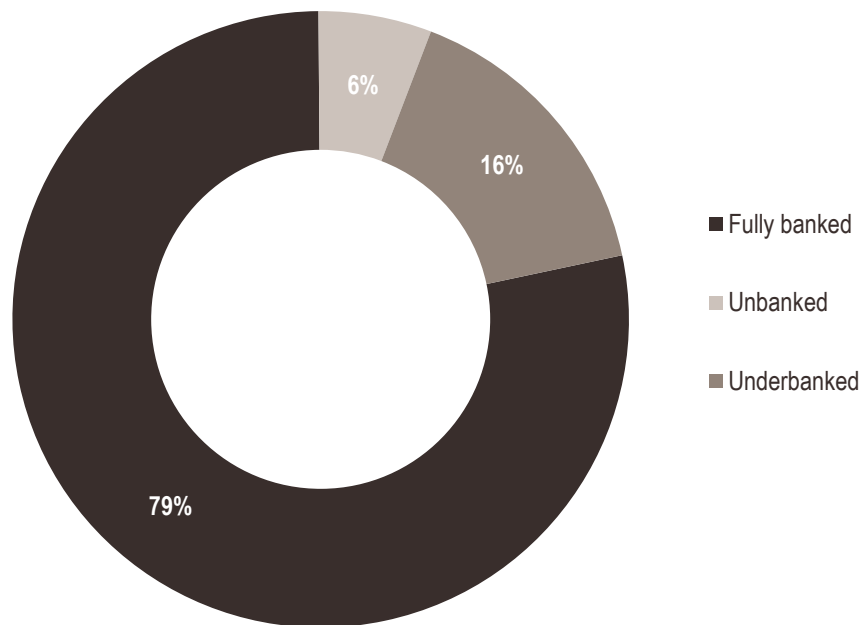
 1 service  2 services  3 or more services

Source: GSMA Mobile Money Deployment Tracker. For illustrative purposes only.

Digital finance could support financial inclusion for all

A Gaping Hole in the US

Almost one in four – or 34 million – American households are either unbanked or underbanked



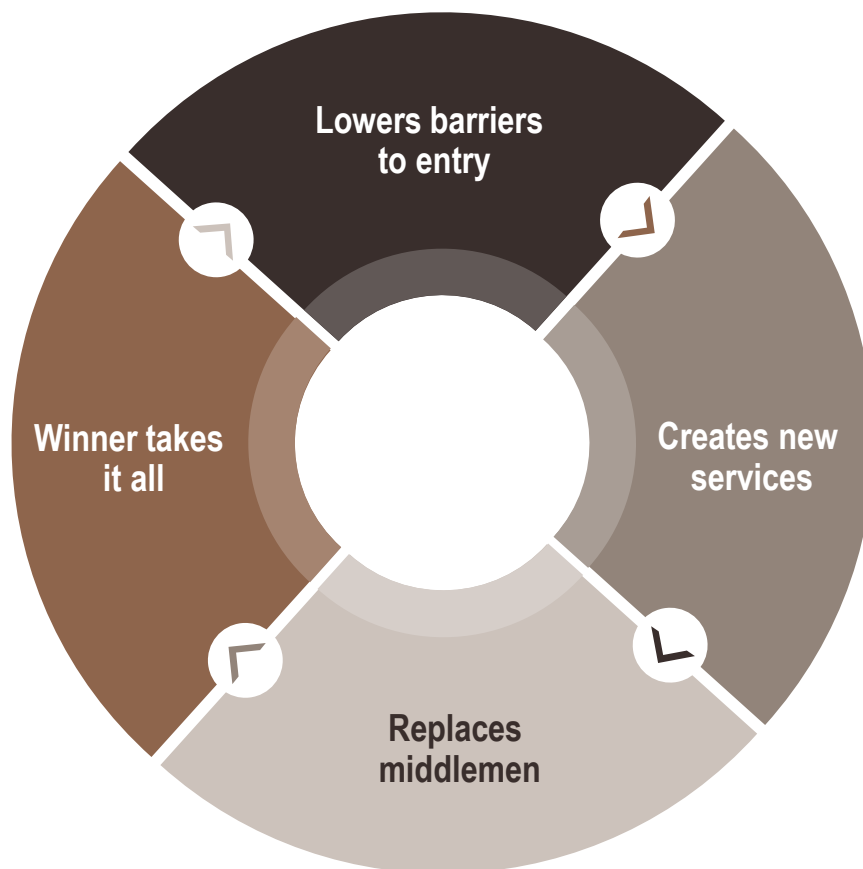
..and in developed markets

- According to the FDIC 16% of US households are still underbanked

Source: Federal Deposit Insurance Corporation (FDIC)
2022 American Banker. For illustrative purposes only.

Digitalisation lowers barriers to entry, improves efficiency and enables new financial services

The effect of digitalisation on the economy



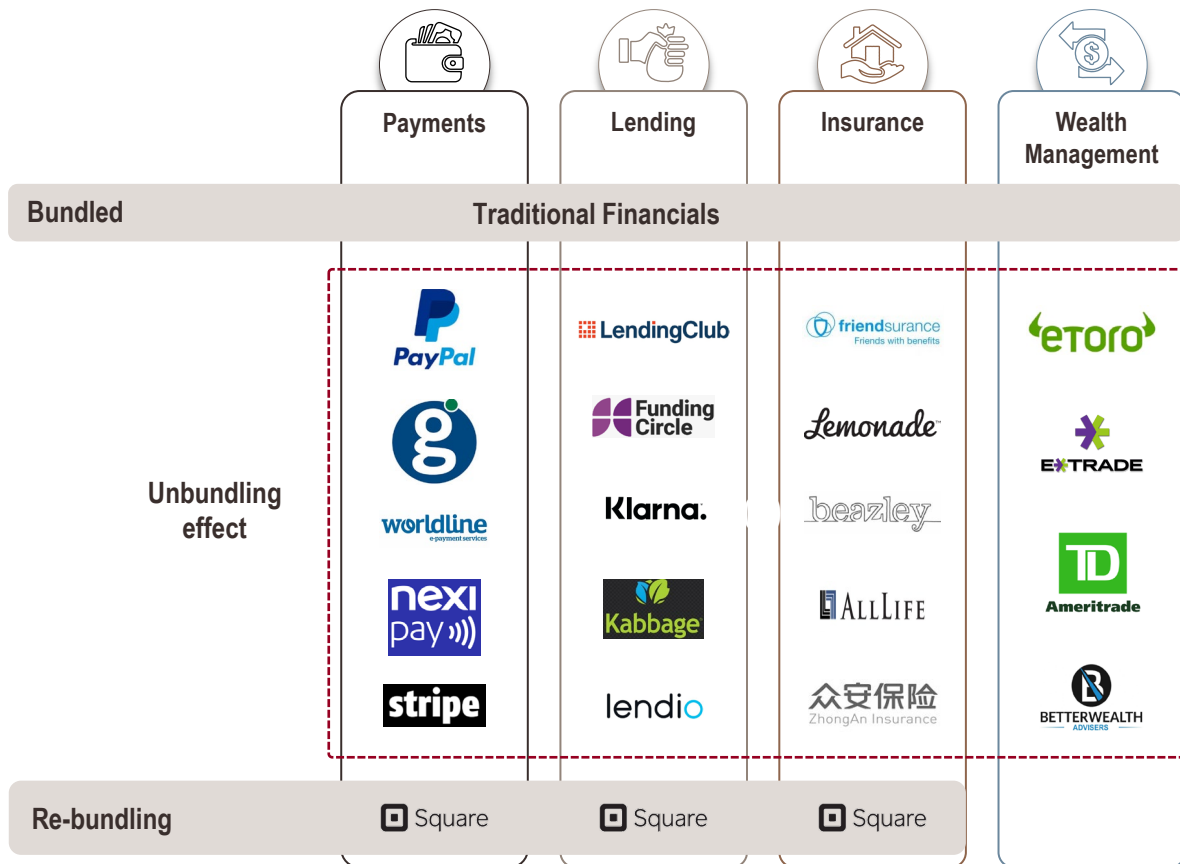
FinTech next step digital economy

- After the consumption and production side of the economy also finance enters the age of digitalisation.
- The stage of maturity varies across the FinTech space.

Source: LOIM analysis. For illustrative purposes only. There can be no assurance that these results will be achieved or that there will be a return on capital.

Digitalisation lowers barriers to entry, improves efficiency and enables new financial services

Financial Tech Startups: “The Unbundling Effect”

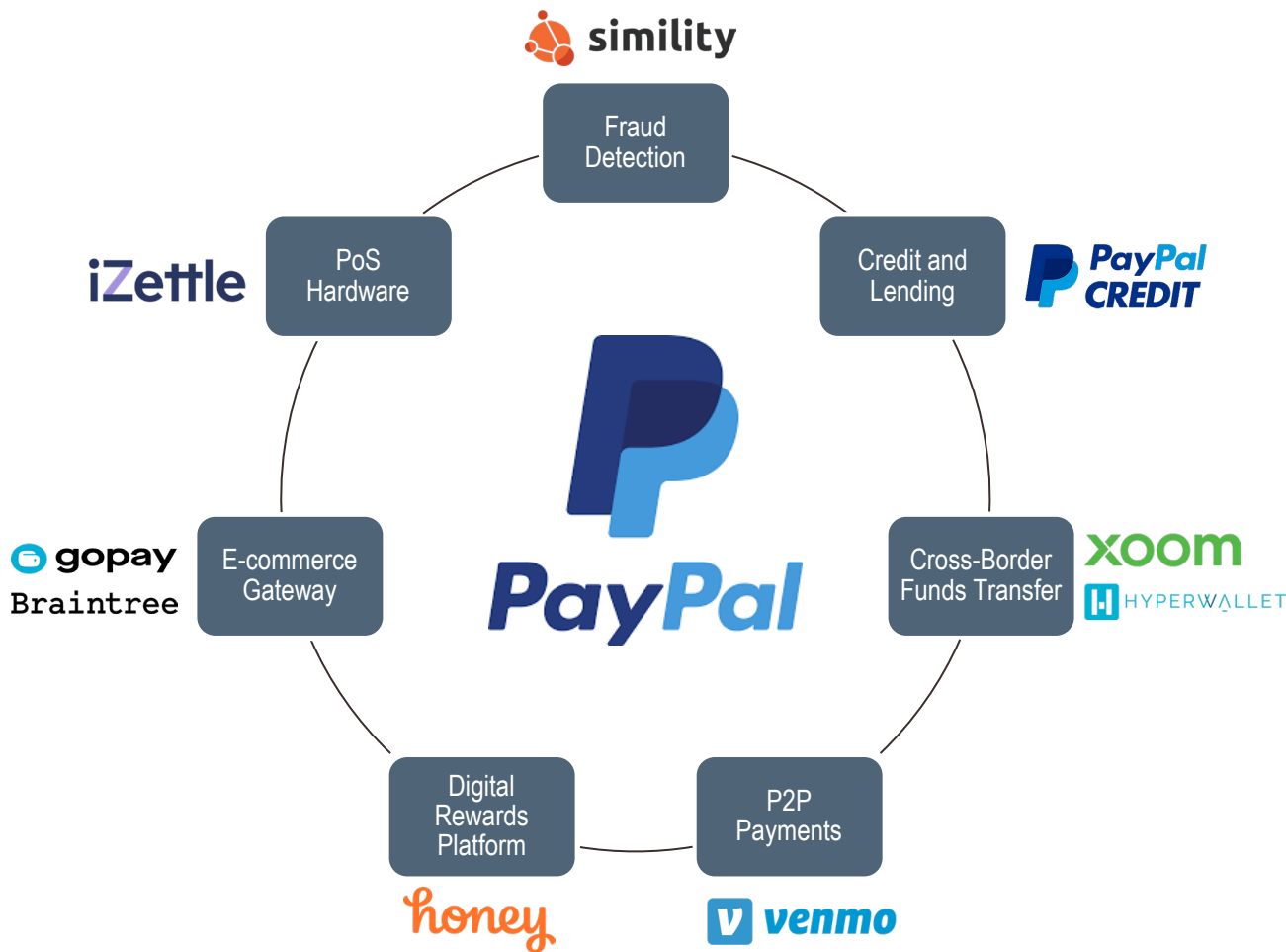


FinTech’s next step towards a digital economy

- Technology-based unbundling of financial services from traditional banks spans all major areas.
- The re-bundling effect is a second wave of disruption, as FinTech companies grow, merge and refocus efforts on other sectors.

Source: CBINSIGHTS, 2019. For illustrative purposes only. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

PayPal ecosystem







Big tech ecosystems aim to lock in

- Due to its large client base and two-sided network, PayPal can benefit from offering additional financial services. This locks in customers to the PayPal ecosystem
- Other large tech firms, such as Apple, Amazon, Uber and Tencent, are pursuing a similar approach

Source: LOIM. For illustrative purposes only. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

The rise of technology ecosystems

The breakup of banking services through BAAS (Banking as a service)

 TRADITIONAL BANKING STACK	 BANKING AS A PLATFORM	 FINTECH MODEL	 EMBEDDED FINANCE MODEL
BRAND	BRAND	BRAND	BRAND
USER INTERFACE	USER INTERFACE	USER INTERFACE	USER INTERFACE
PRODUCTS	PRODUCTS	PRODUCTS	PRODUCTS
CUSTOMER SERVICE	CUSTOMER SERVICE	CUSTOMER SERVICE	CUSTOMER SERVICE
PAYMENTS	PAYMENTS	PAYMENTS	PAYMENTS
COMPLIANCE	COMPLIANCE	COMPLIANCE	COMPLIANCE
RISK MANAGEMENT	RISK MANAGEMENT	RISK MANAGEMENT	RISK MANAGEMENT
FRAUD/AML	FRAUD/AML	FRAUD/AML	FRAUD/AML
TREASURY/FUNDING	TREASURY/FUNDING	TREASURY/FUNDING	TREASURY/FUNDING
ACCOUNTING/GL	ACCOUNTING/GL	ACCOUNTING/GL	ACCOUNTING/GL
LICENSE	LICENSE	LICENSE	LICENSE

Non-FS player
 Fintech
 BAAS provider
 Licensed bank

Source: KoreFusion 2021. For illustrative purposes only.



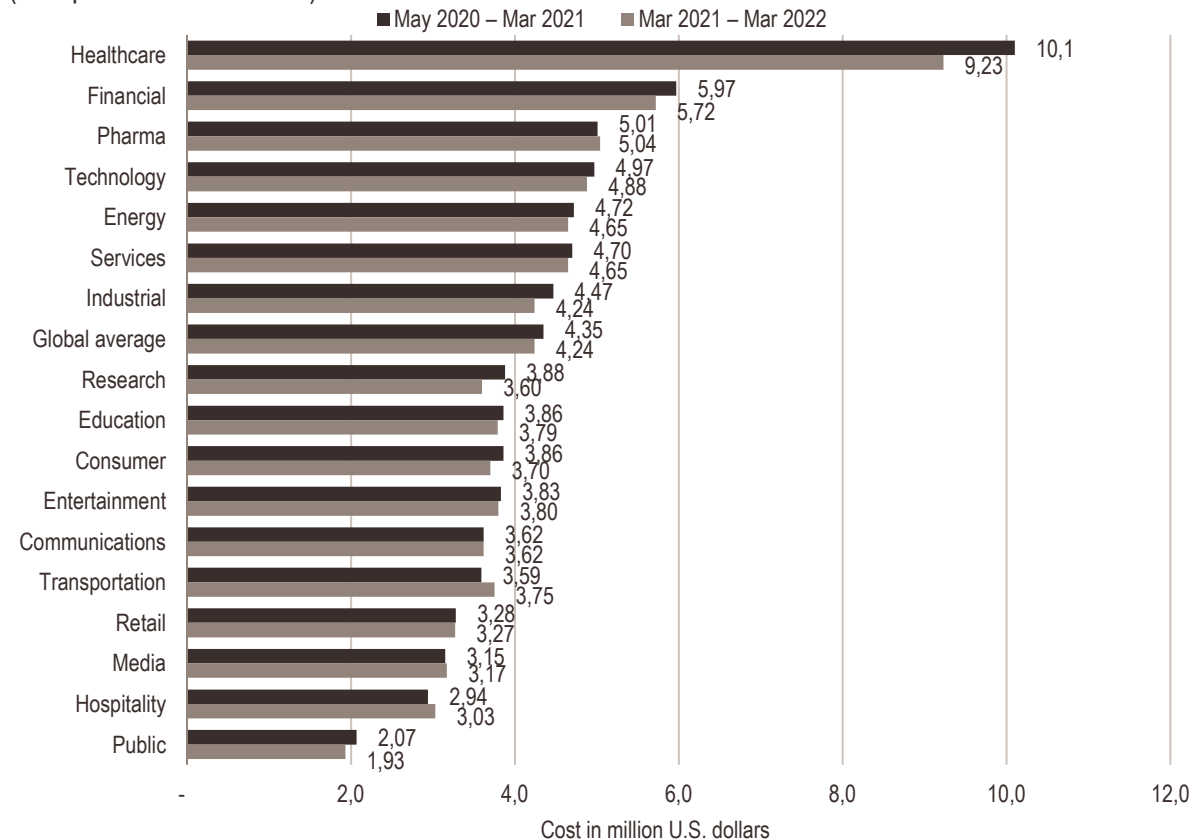
Big tech ecosystems offer opportunities

- These big tech ecosystem companies need FinTech and knowhow. This provides a large B2B opportunity for FinTech companies

Cybersecurity as a basic necessity for all digital financial services

Financial services amongst the most expensive data breaches

(cost per record breached)



Source: [Statista](#), 2022.



Cybersecurity is key

- Financial services are the most targeted victims for hackers with often high financial damage
- Increasing connection between hacks and equity market performance

Cybersecurity as a basic necessity for all digital financial services

Cybersecurity

Financial Firms' Cybersecurity Spending Jumps 15%, Survey Finds

By [Yalman Onaran](#)

August 4, 2020, 4:59 PM GMT+1

- ▶ Average spending per employee rose to \$2,691 this year
- ▶ Pandemic is probably spurring more increases at finance firms

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▶ 1:34

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Big banks and other financial firms are spending 15% more this year to defend computer networks from cyber criminals, and the pandemic and work-from-home arrangements are probably spurring further increases, a [survey](#) found.

Average spending per employee was budgeted at \$2,691, up from \$2,337 in 2019, according to the poll conducted by Deloitte & Touche LLP and the Financial Services Information Sharing and Analysis Center, an industry group known as FS-ISAC. Some firms have budgeted as much as \$3,322 per employee for cybersecurity, up from the \$3,000 maximum last year.



Cybersecurity is key

- Cybercrime insurance is a growing area.
- Cybersecurity regulation is getting tougher with higher fines when not properly protected, especially in the EU.

Source: Bloomberg, 2021. For illustrative purposes only.



Investment Process

From FinTech trends to a high conviction portfolio

LOMBARD ODIER
INVESTMENT MANAGERS

A strong and clear philosophy



Growth through sustainability

Our **conviction in Sustainability** as a source of **growth** drives everything we do



EER disciplined

Our approach to implementation is **rigorous and disciplined**, utilising a transversal platform across all equity strategies. Excess Economic Return is at the heart of our process



Focused research

Our **research** is highly focused and benefits from sharing best practices and ideas across our portfolio managers and analysts



Risk management

Our disciplined approach facilitates **strict risk management** by ensuring transparency, accountability and predictability

LOIM for illustrative purposes only. This document contains the opinions of LOIM, as at the date of issue.

FinTech Universe of Opportunities

300+ companies / EUR 16bn average market cap

Payments, Efficiency providers and the collection of blocks in the middle represent 1/3rd each

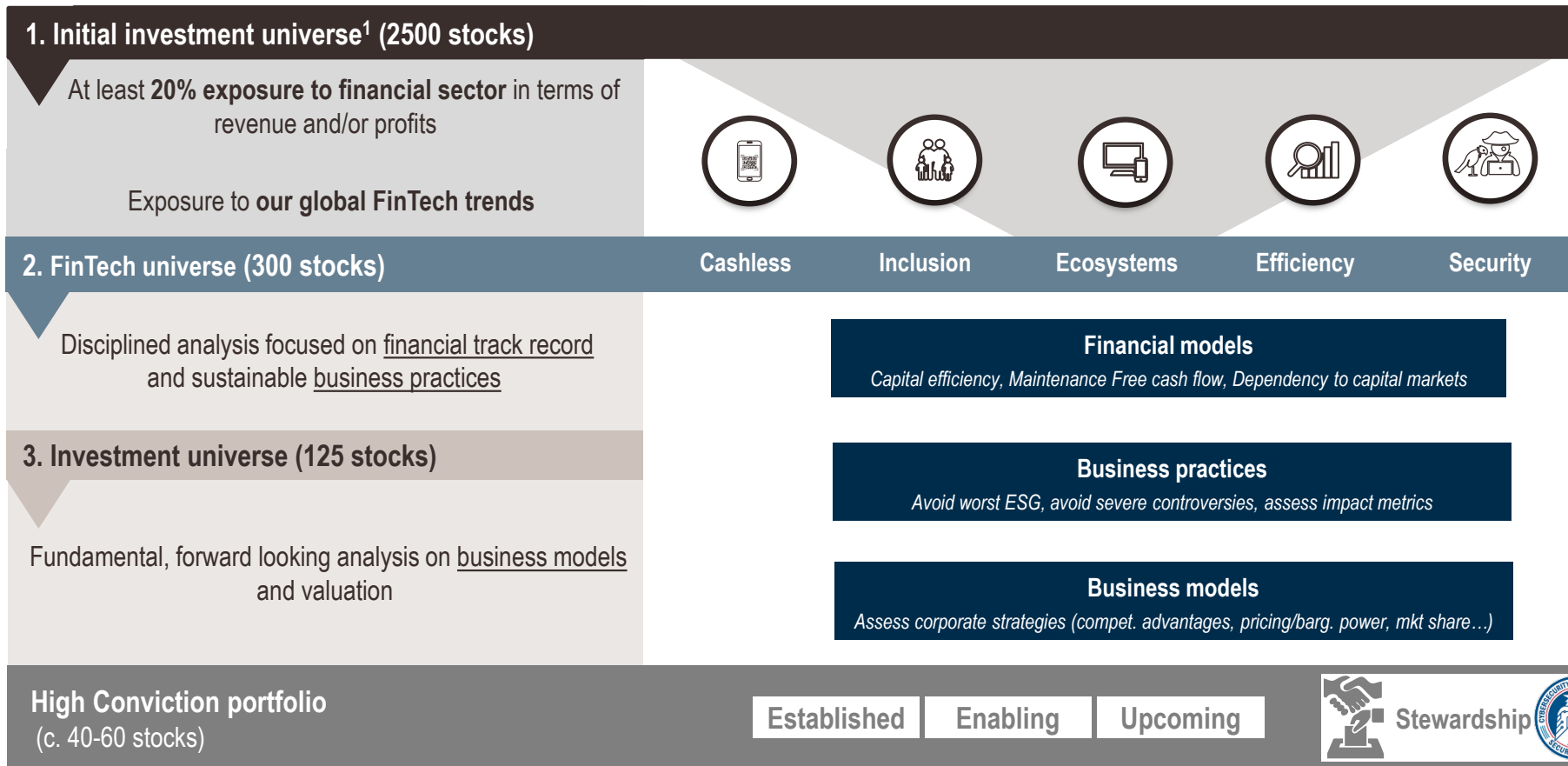
Snapshot of FinTech universe



Source: LOIM as at November 2023. For illustrative purposes only. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

From FinTech trends to High Conviction Portfolio

A high conviction stock picking process



Source: LOIM. ¹ Minimum USD 500mn market cap, minimum USD 1mn average daily liquidity, listed in developed markets. Allocations are subject to change. It illustrates 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. For illustrative purposes only. Cybersecurity & Infrastructure Security Agency (CISA) – <https://www.cisa.gov/>

A well diversified portfolio across three key categories

Established FinTech



Established digital finance companies that stand out from their peers. These display mid-teens growth, stable performers, market cap USD 20 billion+.

Stability

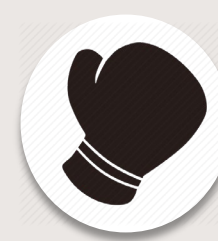
Enabling Technology



Companies that help the financial industry to develop and implement technology. These companies have steady earnings growth, high quality and can be both large as well mid size companies.

Predictability

Upcoming FinTech



Younger, less-established companies that have potential to become tomorrow's establishment. Typically show high growth with market cap typically USD <10 billion.

Growth

Source: LOIM. Allocations are subject to change. It illustrates 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. For illustrative purposes only. There can be no assurance that the investment objective will be achieved or that there will be a return on capital or that a substantial loss will not be incurred.

22 · Lombard Odier Investment Managers - Please read important information as well as the Glossary at the end of the document.

LO Funds – Global FinTech – portfolio construction

▪ Constraints/limits

Geographic diversification

- Maximum direct exposure to A- shares China (20%), Emerging markets (30%)

Sectoral diversification

- Exposure to Financials and Information technology (min 50%)

▪ Targets at position level

- Weight between 0.5 and 5%
- Minimum market cap US\$ 500m
- Average daily liquidity minimum of US\$ 1m
- Maximum 5% economic cash

▪ Targets at portfolio level

- Monitoring relative VAR (maximum 150%)

▪ Principles

Position sized at 1%, 2%, 4% based on strength in conviction
(*riskiness besides relative valuation and sustainability*)

▪ Sell discipline

Valuation upside has disappeared, fundamental change to the investment case or a new portfolio candidate with better relative upside

Source: LOIM. For illustrative purposes only. Allocations are subject to change. For informational purposes only and subject to change. 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.

Examples from the portfolio

Established FinTech



November 2023



SBI (8473 JP) is a Japanese Fintech with 75% of revenue from securities business, internet banking and payments. Besides these more traditional financial services, the company also has a 10% stake in Ripple which is used to replace old FX rails by more efficient distributed ledger technology. This represents a free call option, as no analyst is taking the value of Ripple into account in company valuation models. As soon as there is a price for Ripple (either via IPO or private round), we expect the sum-of-the-parts to be updated accordingly.



Nasdaq (NDAQ) Nasdaq is an established FinTech due to its strong market positions, high and rising CFROI's and solid organic growth profile. Nasdaq's subscription businesses have grown to approximately three quarters of total revenues over the past couple of years. These businesses also have impressive retention rates, often exceeding 90%, which limits top-line variability. The company's valuation is attractive relative to its growth outlook.



FleetCor (FLT) offers is fleet vehicle payment services for commercial and government fleets primarily for fuel purchases. FleetCor also offers a suite of fleet related and workforce payment solutions, food cards, corporate lodging discount cards, electronic toll payments management, and other specialized payment services for fleet operators. Acquisitions have been important to FleetCor's growth strategy with the company completing more than 75 deals since the early 2000s. The company is classified as EER (excess economic return) and is strongly undervalued.

Source: LOIM analysis. For illustrative purposes only. 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. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

Examples from the portfolio

Enabling Technology



November 2023



Fiserv. Inc (FISV) is a core banking provider for smaller banks. Whereas FIS focuses on large banks, the focus and expertise of Fiserv is with smaller banks. The opportunities with smaller banks are perhaps larger than with big banks, because smaller banks do not have the resources to internally develop alternative core banking software. After the merger with First Data the revenue split is 40% merchant acquiring and 60% financial technology. The company structurally benefits from digitalization of the financial sector.”



Accenture (ACN) is one of the largest IT services companies in the world providing management and technology consulting services and solutions. The company solidly passes our purity hurdle, enabling Financial institutions to stay relevant in a rapidly digitizing world. Accenture is a quality growth company. They are classified as Sustainable DEER and has a EER regularity of 100% over the last 10 years with very low dependency to capital markets. The company has a grade A+ regarding its business practices.



Intuit (INTU) develops and markets business and financial management software solutions for small and medium sized businesses, financial institutions, consumers, and accounting professionals. The Company provides software for small business management and payroll processing, personal finance, and tax preparation and filing. The company is classified as EER (excess economic return).

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Examples from the portfolio

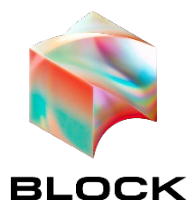
Upcoming FinTech



November 2023



Tradeweb (TW) builds and operates electronic marketplaces for rates, credit, equities/ETFs and money markets. The company serves institutional, wholesale and retail clients in 62 countries. Tradeweb offers double digit revenue and earnings growth at very healthy CFROI's. The company's valuation is above average.



Block (SQ) is a global financial technology company providing merchant services to small and medium sized companies. The company started with payment and now offers broad based software, banking and commerce solutions under the Square brand. Furthermore, Cash App is a well-known wallet offering financial services to individuals, including peer-to-peer payments, bitcoin, and stock investments. With the acquisition of Afterpay the company can drive BNPL revenues in the future. With all the COVID air gone out of the valuation after a 70% correction and management focusing on profitable growth (rule of 40) we see a compelling valuation case for Block.



Mercadolibre (MELI) is great exposure to the structural trend of E-commerce and Pay-For-Goods trends amongst Gen Z's and Millennials in LatAm. The company has 9 million users of which 8.5 million individuals and 500.000 SMEs. That is a great basis for the platform to grow from. We are especially interested in the FinTech division. This is more than half of the company value (900 dollars per share valuation just for the FinTech part) and we believe that we found a good entry point to benefit from this structural trend. The company has a revenue CAGR of 50% over the last 5 years and earnings are trending along. There could be potential additional upside when the FinTech activities are split from the E-commerce business.

Source: LOIM analysis. For illustrative purposes only. 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. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

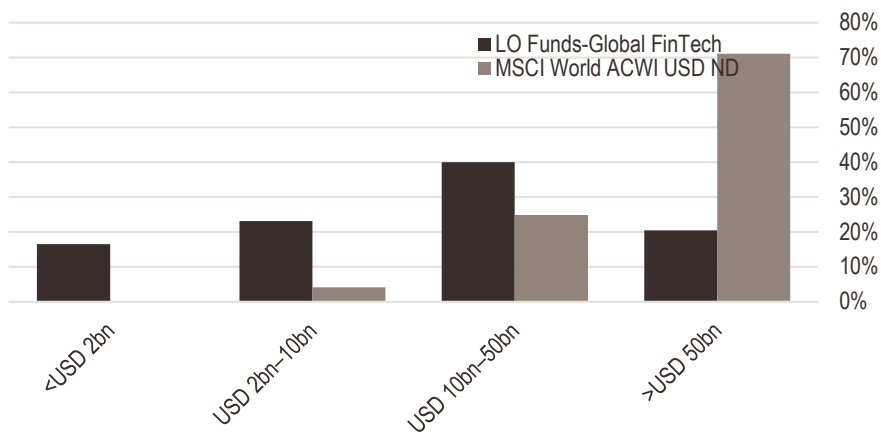


Portfolio characteristics

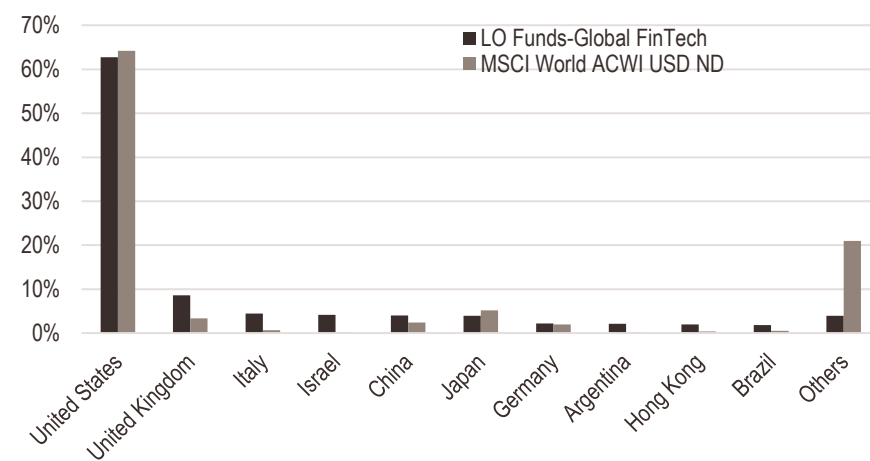
LO Funds-Global FinTech - Portfolio Characteristics (1/2)

31 August 2024

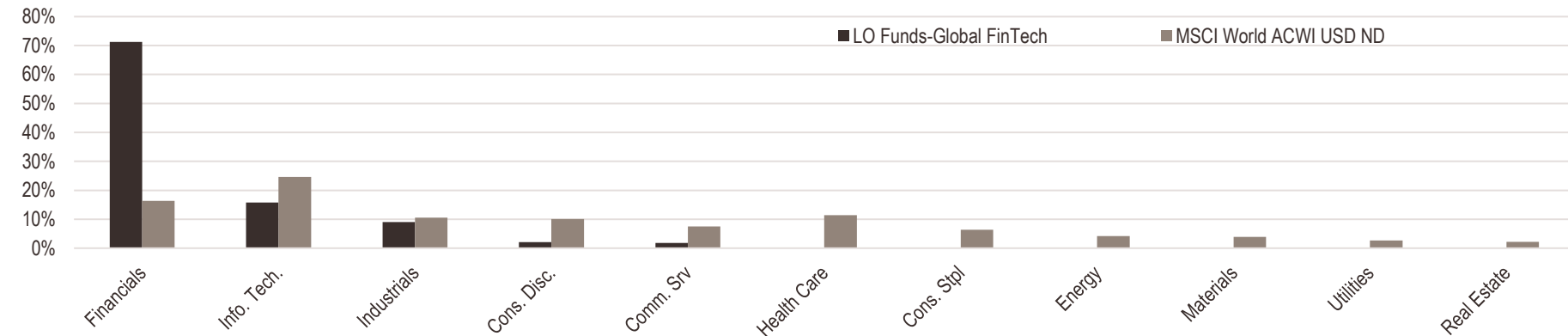
Market Cap Breakdown (in % ex-cash)



Geographical Breakdown (in % ex-cash)



Sector Breakdown (in % ex-cash)



Source: LOIM. For illustrative purpose only. Holdings and/or allocations are subject to change.

Portfolio: LO Funds-Global FinTech

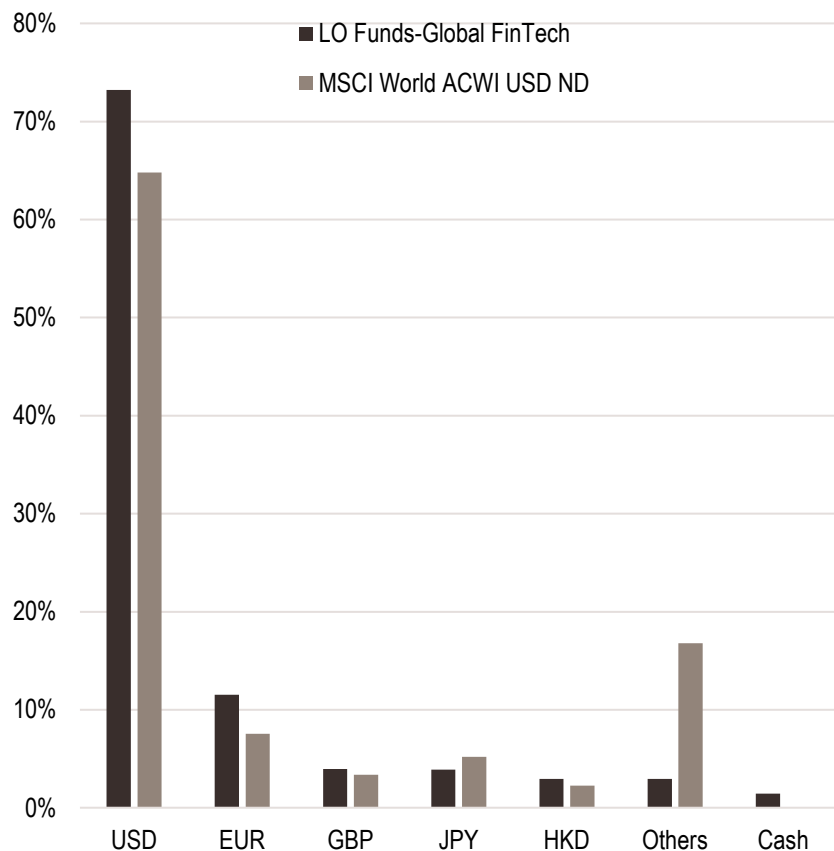
Reference index: MSCI World ACWI USD ND

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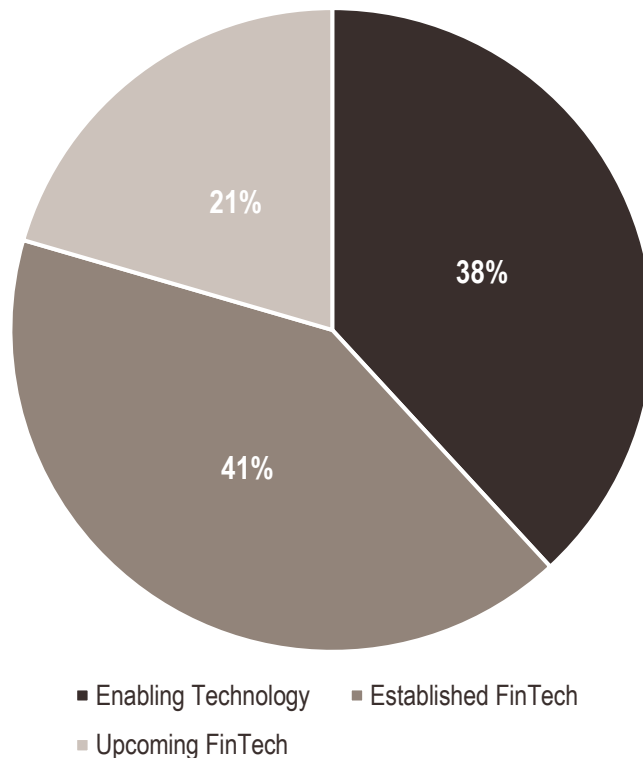
LO Funds-Global FinTech - Portfolio Characteristics (2/2)

31 August 2024

Currency Breakdown (in %)



Category/Trend/Theme Split



Source: LOIM. For illustrative purpose only. Holdings and/or allocations are subject to change.

Portfolio: LO Funds-Global FinTech

Reference index: MSCI World ACWI USD ND

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LO Funds-Global FinTech – Top 10 Holdings

31 August 2024

Company Name	Theme	Sector	Country/Region	Weight ¹ (%)	Active Weight ² (%)
PAYPAL HOLDINGS	Established FinTech	Financials	United States	4.6	4.5
GLOBAL PAYMENTS	Established FinTech	Financials	United States	4.2	4.1
TRANSUNION	Enabling Technology	Industrials	United States	3.9	3.9
BLOCK A	Upcoming FinTech	Financials	United States	3.7	3.7
VIRTU FINANCIAL CL.A	Established FinTech	Financials	United States	2.6	2.6
ENDAVA ADR 1:1	Enabling Technology	Info. Tech.	United Kingdom	2.3	2.3
NEXI	Established FinTech	Financials	Italy	2.3	2.2
NASDAQ	Established FinTech	Financials	United States	2.3	2.2
ALLFUNDS GROUP	Enabling Technology	Financials	United Kingdom	2.2	2.2
FLATEXDEGIRO N	Upcoming FinTech	Financials	Germany	2.2	2.2

Source: LOIM. Holdings and/or allocations are subject to change. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document.

¹ Stock weight in the portfolio: LO Funds-Global FinTech

² Stock weight in the portfolio¹ relative to the benchmark: MSCI World ACWI USD ND

Financial Metrics

LO Funds-Global FinTech

31 August 2024

CAPITAL EFFICIENCY (trailing 12m) ¹	Fund²	Index³
Return on equity	19.8%	14.1%
Maintenance FCF	26.4%	13.5%
External Financing	-4.1%	-2.6%

GROWTH (CAGR 2Y) ⁴	Fund²	Index³
EPS growth CAGR 2Y	15.6%	11.7%
Sales growth CAGR 2Y	8.6%	5.1%

VALUATION⁵	Fund²	Index³
Dividend yield	1.0%	1.9%
Forward PE 1Y	15.5x	17.8x
Forward PE 2Y	13.2x	15.9x
Price to Book	2.2x	3.3x

OTHER METRICS	Fund²	Index³
Active Share	0.97	
Weighted average market cap (USD bn)	49.7	638.5

Source: LOIM, as at 31 August 2024. Past performance is not a guarantee of future results; metrics subject to change. Portfolio composition represent a portfolio construction goal. It is not representative of actual, complete nor accurate past, present or future portfolio holdings. For illustrative purposes only.

¹ Weighted average excluding outliers. Use of capital employed in case of negative equity. ² Fund: LO Funds-Global FinTech. ³ Index: MSCI World ACWI USD ND. Index methodology. ⁴ Weighted average excluding outliers. ⁵ Harmonic average.



Performance

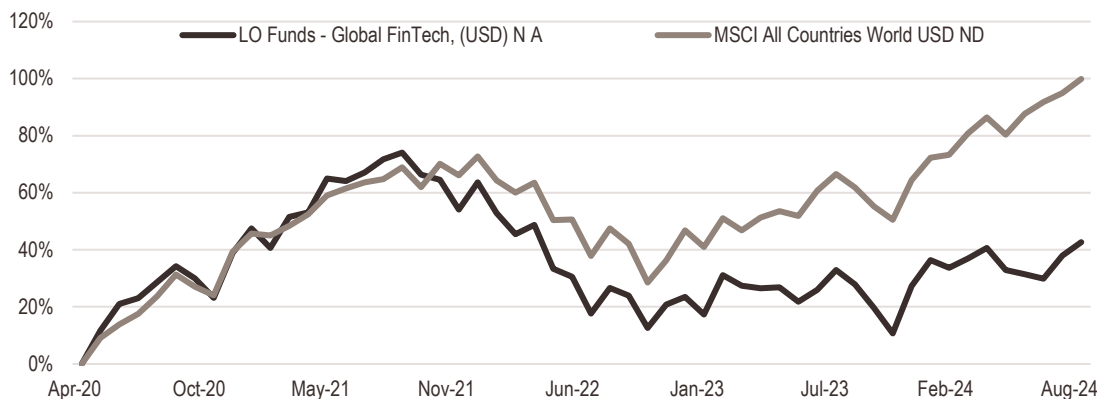
LOMBARD ODIER
INVESTMENT MANAGERS

LO Funds – Global FinTech NA share class

Past performance is not a guarantee of future results.

(31 August 2024)

Fund - cumulative performance ¹



Portfolio statistics

Fund assets under management	USD 80 million
Number of positions	50

Performance statistics

	Annualised					
	ITD ²		3Y		1Y	
Class NA USD	Fund	Bench ³	Fund	Bench ³	Fund	Bench ³
Absolute return	8.37%	16.94%	-6.38%	5.74%	11.54%	23.24%
Volatility	20.98%	16.19%	21.09%	16.78%	-	-
Sharpe ratio	0.28	0.89	-0.48	0.12	-	-
Excess return	-8.58%	-	-12.11%	-	-11.70%	-
Tracking error	9.64%	-	9.75%	-	11.98%	-
Information ratio	-0.73	-	-1.16	-	-0.75	-

Fund - historical performance ¹

Class NA USD	Yearly returns			Monthly excess returns											
	Absolute		Excess	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Fund	Bench ³													
2020	47.51%	45.72%	1.79%				2.57%	3.96%	-1.46%	-0.76%	-1.82%	0.07%	-2.81%	0.41%	1.61%
2021	10.91%	18.54%	-7.63%	-4.19%	5.38%	-1.60%	3.40%	-2.14%	0.53%	2.09%	-1.17%	-0.28%	-6.19%	-3.97%	2.21%
2022	-28.29%	-18.36%	-9.93%	-1.63%	-2.30%	0.09%	-2.36%	-2.18%	-1.50%	0.72%	1.52%	0.40%	1.27%	-5.56%	-1.01%
2023	16.27%	22.20%	-5.93%	4.59%	0.05%	-3.79%	-1.15%	-2.91%	-2.46%	1.90%	-1.05%	-2.20%	-4.48%	5.68%	2.39%
2024	4.58%	15.97%	-11.38%	-2.59%	-1.82%	-0.50%	-2.20%	-5.14%	-3.41%	4.59%	0.90%				

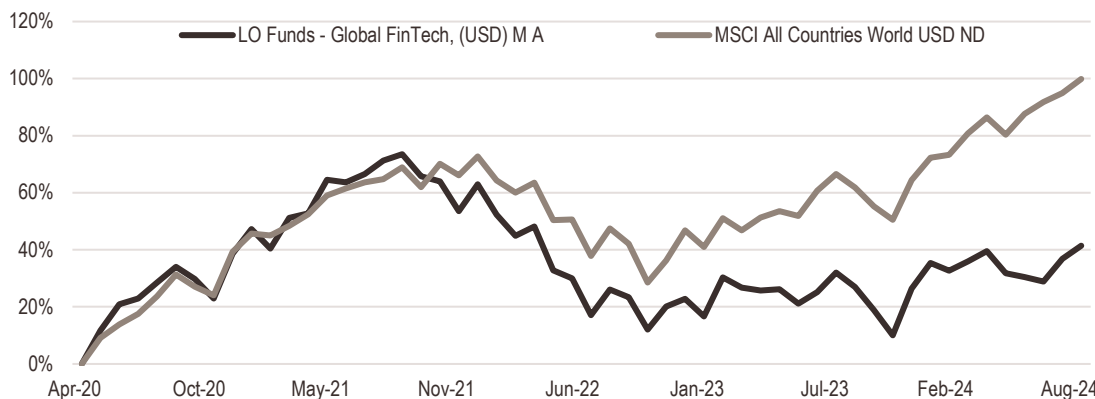
Fund inception date 06 April 2020. ¹ Dividend accumulated share class, net performance in USD. Return compounded monthly; ² Since strategy inception; ³ MSCI All Countries World USD ND. Returns may increase or decrease as a result of currency and exchange rate fluctuations. Source: LOIM.

LO Funds – Global FinTech MA share class

Past performance is not a guarantee of future results.

(31 August 2024)

Fund - cumulative performance ¹



Portfolio statistics

Fund assets under management	USD 80 million
Number of positions	50

Performance statistics

	Annualised					
	ITD ²		3Y		1Y	
Class MA USD	Fund	Bench ³	Fund	Bench ³	Fund	Bench ³
Absolute return	8.16%	16.94%	-6.54%	5.74%	11.35%	23.24%
Volatility	20.97%	16.19%	21.09%	16.78%	-	-
Sharpe ratio	0.27	0.89	-0.49	0.12	-	-
Excess return	-8.79%	-	-12.28%	-	-11.90%	-
Tracking error	9.63%	-	9.75%	-	11.98%	-
Information ratio	-0.75	-	-1.17	-	-0.77	-

Fund - historical performance ¹

Class MA USD	Yearly returns			Monthly excess returns											
	Absolute		Excess	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Fund	Bench ³													
2020	47.21%	45.72%	1.49%				2.56%	3.86%	-1.48%	-0.78%	-1.83%	0.05%	-2.82%	0.40%	1.59%
2021	10.72%	18.54%	-7.82%	-4.20%	5.37%	-1.62%	3.38%	-2.15%	0.51%	2.08%	-1.19%	-0.30%	-6.20%	-3.98%	2.19%
2022	-28.42%	-18.36%	-10.05%	-1.64%	-2.32%	0.08%	-2.37%	-2.20%	-1.51%	0.71%	1.50%	0.39%	1.25%	-5.57%	-1.03%
2023	16.07%	22.20%	-6.13%	4.57%	0.03%	-3.80%	-1.16%	-2.92%	-2.48%	1.88%	-1.07%	-2.21%	-4.50%	5.67%	2.38%
2024	4.46%	15.97%	-11.51%	-2.61%	-1.83%	-0.52%	-2.22%	-5.15%	-3.43%	4.58%	0.88%				

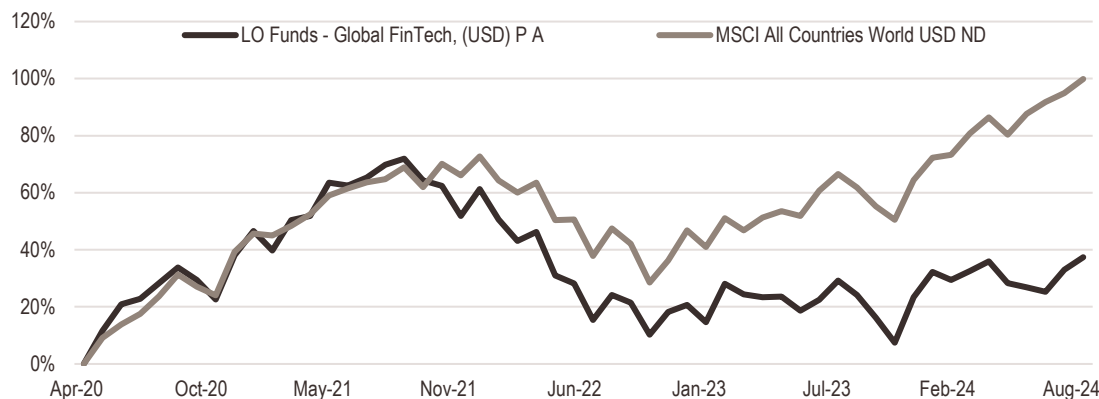
Fund inception date 06 April 2020. ¹ Dividend accumulated share class, net performance in USD. Return compounded monthly; ² Since strategy inception; ³ MSCI All Countries World USD ND. Returns may increase or decrease as a result of currency and exchange rate fluctuations. Source: LOIM.

LO Funds – Global FinTech PA share class

Past performance is not a guarantee of future results.

(31 August 2024)

Fund - cumulative performance ¹



Portfolio statistics

Fund assets under management	USD 80 million
Number of positions	50

Performance statistics

	Annualised					
	ITD ²		3Y		1Y	
Class PA USD	Fund	Bench ³	Fund	Bench ³	Fund	Bench ³
Absolute return	7.45%	16.94%	-7.16%	5.74%	10.60%	23.24%
Volatility	20.97%	16.19%	21.08%	16.78%	-	-
Sharpe ratio	0.23	0.89	-0.52	0.12	-	-
Excess return	-9.49%	-	-12.90%	-	-12.64%	-
Tracking error	9.64%	-	9.74%	-	11.97%	-
Information ratio	-0.82	-	-1.24	-	-0.82	-

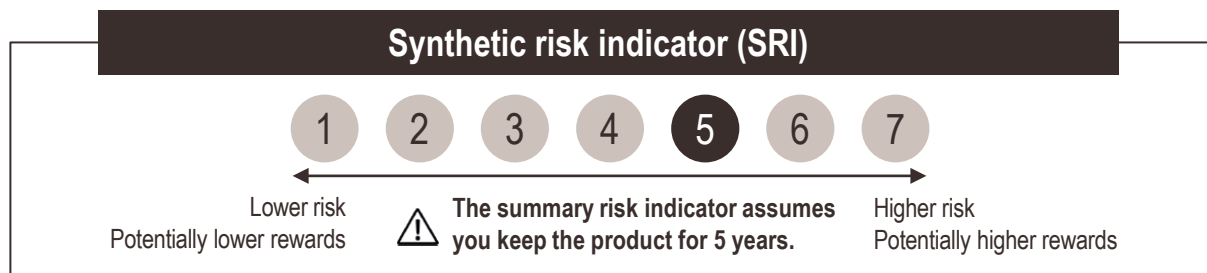
Fund - historical performance ¹

Class PA USD	Yearly returns			Monthly excess returns											
	Absolute		Excess	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Fund	Bench ³													
2020	46.61%	45.72%	0.88%				2.51%	3.89%	-1.54%	-0.84%	-1.89%	0.00%	-2.88%	0.33%	1.53%
2021	9.97%	18.54%	-8.56%	-4.25%	5.31%	-1.68%	3.32%	-2.21%	0.46%	2.02%	-1.24%	-0.35%	-6.26%	-4.04%	2.13%
2022	-28.90%	-18.36%	-10.54%	-1.69%	-2.37%	0.02%	-2.42%	-2.26%	-1.56%	0.65%	1.45%	0.34%	1.19%	-5.63%	-1.08%
2023	15.29%	22.20%	-6.91%	4.51%	-0.02%	-3.86%	-1.22%	-2.98%	-2.54%	1.82%	-1.12%	-2.26%	-4.55%	5.60%	2.32%
2024	3.99%	15.97%	-11.98%	-2.67%	-1.89%	-0.57%	-2.28%	-5.21%	-3.48%	4.51%	0.82%				

Fund inception date 06 April 2020. ¹ Dividend accumulated share class, net performance in USD. Return compounded monthly; ² Since strategy inception; ³ MSCI All Countries World USD ND. Returns may increase or decrease as a result of currency and exchange rate fluctuations. Source: LOIM.

LO Funds – Global FinTech

Key risks



LOF - Global FinTech is actively managed in reference to the MSCI ACWI Index. It invests in equity securities issued by companies worldwide (including Emerging Markets) that are active in the research, development, production, promotion and/or distribution of digital financial services and/or technologies. It may invest across all economic sectors (including, but not limited to, companies that support the supply chain of, and provide services for, these companies). It seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies. The investment approach is based on fundamental research. As part of its Emerging Market exposure, the Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares). The Investment Manager is authorized to use financial derivative instruments for hedging purposes or for EPM but not as part of the investment strategy.

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 or because we are not able to pay you.

This product does not include any protection from future market performance so you could lose some or all of your investment. If we are not able to pay you what is owed, you could lose your entire investment.

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level, and poor market conditions will likely impact our capacity to pay you.

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

Concentration risk: To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset class.

Emerging market risk: Significant investment in emerging markets may expose to difficulties when buying and selling investments. Emerging markets are also more likely to experience political uncertainty and investments held in these countries may not have the same protection as those held in more developed countries.

Active management risk: Active management relies on anticipating various market developments and/or security selection. There is a risk at any given time that the fund may not be invested in the highest-performing markets or securities. The fund's net asset value may also decline.

There can be no assurance that a return will be achieved or that a substantial loss of capital will not be incurred.

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Information Documents (KIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B "Risk Factors Annex" of the prospectus.



Sustainability within LO Funds – Global FinTech

ESG materiality and stewardship

'Towards Sustainability' accreditation

Validation of our approach to ESG/Sustainability

The efforts in integrating ESG and sustainability in our investment process have been rewarded with the labelling by the CLA (Quality Standard for sustainable and socially responsible financial products).

This enshrines our existing ESG process and reflects the following characteristics of our process:

- Exclusion of certain controversial activities from our investment universe
 - **UN Global compact controversies**
 - **Non-conventional weapons**
 - **Tobacco**
 - **Unconventional oil & gas extraction**
 - **Coal extraction**
 - **Max allowed carbon intensity** (less than 408gCO₂/kWh)
- Screening based on international norms and standards
- Integration of non-financial criteria in the selection process
- Engagement in a dialog with companies



'Towards Sustainability' quality standard (for sustainable financial products) and label were developed on the initiative of Febelfin.

Source for more information: www.towardssustainability.be

What does it mean/imply for our clients?

Regulations to make the sustainability profile of funds more comparable and easy to understand

THE LOMBARD ODIER INVESTMENT MANAGERS APPROACH

Article 6



Funds that have neither a sustainable objective nor environmental or social characteristics. They are however required to describe their integration of sustainability risks.

Article 8



Funds that **promote E or S** characteristics, giving regard for **how** an investment or the **processes** promotes E or S characteristics.

Article 9



With commitment to sustainable investment

Funds that promote E or S characteristics and have as their objective sustainable investment.

Funds commit to a minimum % of sustainable investments.

Funds that have sustainable investment as their objective.

Funds commit to make only sustainable investments (ex-cash and cash equivalents).

Source: LOIM, June 2024. The Fund promotes, among other characteristics, environmental or social characteristics as per Article 8 as per Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector (“SFDR”). While it does not have as its objective a sustainable investment, it will have a minimum proportion of 50% of sustainable investments.

Sustainable Finance Disclosure Regulation (SFDR) Classifications

Fund sustainability mapping

	Art. SFDR 6		Art. SFDR 8	Art. SFDR 9
				<i>With commitment to sustainable investment²</i>
Equities	Europe High Conviction	Swiss Small & Mid Caps Continental Europe Family Leaders Continental Europe Small & Mid Leaders Europe All-Cap Leaders	Global FinTech ¹ Golden Age ¹ World Brands Global HealthTech ¹ Asia High Conviction ¹ China High Conviction Emerging High Conviction Swiss Equity	Circular Economy ¹ Planetary Transition ¹ New Food Systems Future Electrification TargetNetZero Global Equity TargetNetZero Europe Equity
Fixed Income	Asia Income High Yield	Global Government Long Duration Short Term Money Market Swiss Franc Credit Bond (Foreign) Global Fixed Income Opportunities Ultra Low Duration Fallen Angels Recovery The Sovereign Bond	Euro BBB-BB Fundamental Global BBB-BB Fundamental Asia Investment Grade Bond Asia Value Bond Asia Diversified High Yield Bond Emerging Markets Local Currency Bond Fundamental Global Government Fundamental Global Inflation-Linked Fundamental	TargetNetZero IG Global Corporate TargetNetZero IG Euro Corporate LOS TargetNetZero (CHF) Credit Bond LOS TargetNetZero (EUR) Credit Bond LOS TargetNetZero (USD) Credit Bond Global Climate Bond ¹
Alternatives	Commodity Risk Premia Event Convexity Transition Materials			Sustainable Private Credit Plastic Circularity
Convertibles			Convertible Bond Convertible Bond Asia Global Conservative Defensive Delta	
Multi-asset			All Roads All Roads Growth All Roads Conservative	

Source: LOIM, June 2024. ¹'Towards Sustainability' quality standard (for sustainable financial products) and label were developed on the initiative of Febelfin. This award should not be construed as an endorsement of the Investment Manager, the Fund or any other private fund or pool advised by the investment manager or any of its affiliates. LOIM is not affiliated with Febelfin and has not paid a fee to this organisation. Ratings and awards subject to change without notice. ² Some of our Article 8 funds promote Environmental/Social (E/S) characteristics, containing a minimum proportion of sustainable investments even if the latter are not the fund's main objective.



Understanding company's business practices...

THE BASICS...

Environment, Social, Governance



THE TANGIBLE WAY...

Consciousness, Action, Result



THE RELEVANT AND TANGIBLE WAY

Material CAR framework

GICS name	Financials	Info. Technology	Comm. services
Business ethics			
Corporate governance			
Data management			
ESG integration			
Employee health and safety			
Environmental impact of products and services			
GHG emissions and energy consumption			
Human resources management			
Impact on local communities			

WHILE SPEAKING THE SUSTAINABLE COMMON LANGUAGE: SUSTAINABLE DEVELOPMENT GOALS (SDG)



Source: Lombard Odier Investment Managers. For illustrative purposes only.

LO Funds – Global Fintech – ESG materiality rating

(31 December 2022)

ESG overall score

	LO ESG Materiality Rating Overall score
Strategy	58.3
Fintech Investment Universe (equal weight)	42.0
Reference Index	72.4

Top 5 ESG holdings

	Portfolio Weight	LO ESG Materiality Grade
Capgemini Se	1.49%	A+
Accenture Public Limited Company	1.08%	A+
Finacobank Banca Fineco S.P.A.	2.12%	A+
Mastercard Incorporated.	2.18%	A+
S&P Global Inc.	1.58%	A+

LO ESG Materiality grade ranges from A+ to D based on their performance relative to their industry group. Holdings/allocations and metrics are subject to change.

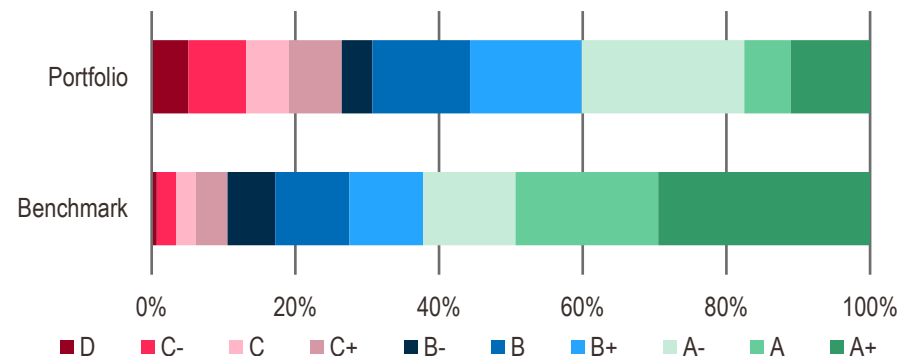
Source: LOIM, Sustainalytics, Trucost. Reference Index: MSCI ACWI TR ND. While the results presented are based on certain assumptions that are believed to reflect actual circumstances, these assumptions may not include all of the variables that may affect, or have affected in the past, the ratings calculations. The following factors are taken into account in the calculation of the ratings: 1. The ESG team uses data issued from a recognised third party provider to establish the severity level of corporate controversies. 2. LOIM has developed its own business rating methodology that integrates data from multiple sources.

The scores thus obtained are updated on a weekly basis and represent an assessment of the Environmental, Social and Governance quality of a company.

These grades were designed by LOIM's ESG experts and take into account the most relevant extra-financial dimensions applicable to each company's activity.

42 · Lombard Odier Investment Managers - Please read important information at the end of the document.

ESG ratings distribution (from worst D to top A+)



Worst 5 ESG holdings

	Portfolio Weight	LO ESG Materiality Grade
Hundsun Technologies Inc.	1.41%	D
Lakala Payment Co., Ltd.	1.17%	D
Pathward Financial, Inc.	2.22%	D
Yusys Technologies Co.,Ltd.	0.89%	C-
Flow Traders N.V.	2.07%	C-

LO Funds – Global Fintech – Carbon footprint

(31 December 2022)

 Portfolio	Fintech Investment Universe (equal weight)	Reference Index
CO2 per MUSD invested	108 t	427 t
Round flights New York - Paris equivalent.	107 t	423 t

Numbers account for scope 1, 2 and 3 emissions. Holdings/allocations and metrics are subject to change. Source: LOIM, Sustainalytics.
Reference Index: MSCI ACWI TR ND

Robust stewardship framework reflecting LOIM core investment belief

LOIM’s rationale for stewardship

We are firm believers in the **importance of stewardship** in the **sustainability transition**. Integrated within the investment process, this is a crucial approach to **protect and enhance the long-term sustainable value of the assets** entrusted to us by our clients.

As stewards, we aim to:

1. Encourage companies to align themselves to appropriate transition pathways
2. Promote and uphold best-in-class business practices
3. Manage controversies

To achieve this, we use

Engagement and voting as complementary tools to reach our objectives

Engagement



Engagement is part of our fundamental investment process. We carry out engagement across asset classes linking outcomes back to investments

Voting



Exercising voting rights on behalf of our clients allows us to express our view on critical matters affecting our investee companies, especially impact on societies and the environment.

Source: LOIM, 30 November 2022.

Please read important information at the end of the document

44 · Lombard Odier Investment Managers.

Stewardship

Pillar 1: Engagement



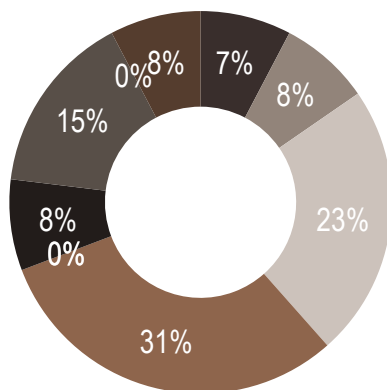
Engagement is part of our fundamental investment process. We carry out engagement across asset classes linking outcomes back to investments.

For the LO Funds - Global FinTech, **we engaged with 11 companies out of 56** as of December 31, 2022, representing **22%** of the portfolio market value.

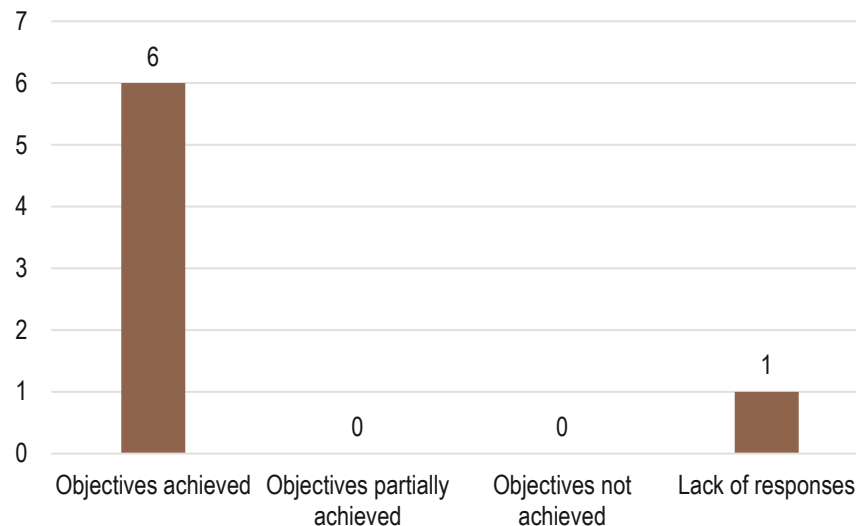
- 6 companies with engagements on going
- 7 companies with closed engagement

Engagement breakdown by main issue

- Controversies : 1
- Corporate governance: 1
- ESG/Business practices : 3
- ESG/TCFD disclosure : 4
- Environment : 0
- General ESG : 0
- Natural Capital : 1
- Net zero/OMP : 2
- Proxy voting : 0
- Social : 1



Reasons for closing engagement



The table above reflects that one company may have more than one engagement depending on the issues.

Source: Lombard Odier Investment Managers. For illustrative purposes only.

Stewardship

Pillar 2: Voting

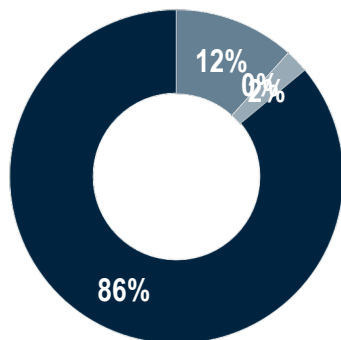


Exercising voting rights on behalf of our clients allows us to express our view on critical matters affecting our investee companies and their impact on societies and the environment. We follow our corporate governance and voting guidelines to guide our voting decisions and engage with companies when further information is needed.

For the LO Funds - Global FinTech, we voted **61** meetings YTD as of December 31, 2022. We voted against on at least one resolution at 61% of the meetings

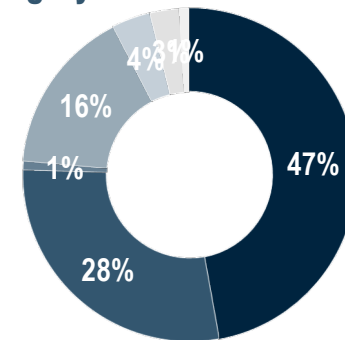
Vote breakdown on a per resolution basis

- Number of votes FOR : 634
- Number of votes ABSTAIN : 0
- Number of votes AGAINST : 86
- Number of votes WITHHOLD : 17

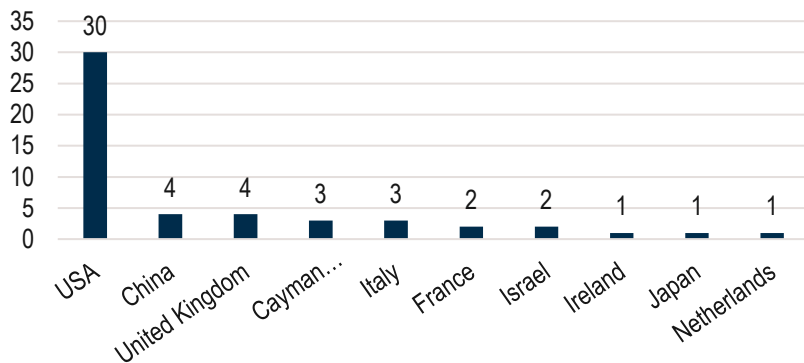


Votes against management – category breakdown

- Directors related: 50
- Compensation : 30
- Miscellaneous: 1
- Routine Business : 17
- Capitalisation : 4
- Reorganisation and Mergers : 1
- Environmental and Social : 3



Market breakdown (Top 10)



Votes for shareholder resolutions – category breakdown

- Routine Business (shareholder)
- Director related (Shareholder)
- Compensation (Shareholder)
- Miscellaneous (Shareholder)
- Environmental and Social (Shareholder)



Source: Lombard Odier Investment Managers. For illustrative purposes only. As at December 31, 2022

Case Study: Endava – Improved Disclosures



ENGAGEMENT BACKGROUND

The company had no ESG rating from an external data provider, which was the trigger for our engagement. Given the lack of coverage, we carried out a sustainability assessment, and concluded that an engagement was needed.

In reaching this conclusion, we also considered a partial mitigating factor: the fact that the company had become public one and half years before we started the engagement. In our experience, companies need time after IPO to structure and define their ESG and sustainability approach, and early and timely conversations are important to provide best practice guidance and practical recommendations that are material to the sector.



ENGAGEMENT

The company confirmed its commitment to integrating ESG and sustainability issues into its strategy.

We encouraged them to enhance disclosures on corporate governance structures & ESG strategy, with a particular focus on policies and system around code of conduct, cyber security, data management, and business ethics. Regarding sustainability, we encouraged the company to explore net-zero commitments across the whole value chain



RESULTS

The immediate concerns from the lack of external data provider coverage were mitigated, as we learned that the company was aware that it needed to develop a clear strategy and resources were already allocated.

Subsequently, we were pleased to see the publication of the company's first sustainability report during 2021, which gave shape and public codification to the work it has undertaken, including clearly articulating its near, medium and long-term strategy. This went beyond commitments taken by the company during the engagement to the extent that the annual report would include ESG disclosures.

Building on this success, the company has published a second, more mature and comprehensive sustainability report that addresses its most material issues and includes wider stakeholder engagement, consideration of industry frameworks, and ambition to achieve net-zero emissions by 2050.

Source: Lombard Odier Investment Managers, February 2023. For illustrative purposes only. Any reference to a specific company or security does not constitute a recommendation to buy, sell, hold or directly invest in the company or securities. It should not be assumed that the recommendations made in the future will be profitable or will equal the performance of the securities discussed in this document



Fund subscription details

LO Funds – Global FinTech

Product details

INVESTMENT OBJECTIVE AND POLICY	The Sub-Fund is actively managed. The MSCI ACWI is used for performance and internal risk indicators comparison, without implying any particular constraints to the sub-fund investments. The Sub-Fund invests primarily in equity and equity related securities of companies worldwide (including Emerging Markets) that are active in the research, development, production, promotion and/or distribution of digital financial services and/or technologies. The Sub-Fund may invest across all economic sectors (including, but not limited to, companies that support the supply chain of, and provide services for, these companies). The Sub-Fund seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies. As part of its Emerging Market exposure, the Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares). The Investment Manager is authorized to use financial derivative instruments for hedging purposes or for EPM but not as part of the investment strategy.
LIFE OF SUB-FUND	Unlimited
INVESTOR PROFILE/RECOMMENDED HOLDING PERIOD	This Sub-Fund may not be appropriate for investors who plan to withdraw their money within 5 years.
SUB-FUND LAUNCH DATE	6 April 2020
LEGAL STRUCTURE	UCITS - SICAV (Luxembourg)
CUSTODIAN BANK / ADMINISTRATOR	CACEIS Bank, Luxembourg Branch
MANAGEMENT COMPANY	Lombard Odier Funds (Europe) S.A.
INVESTMENT TERMS	Classes P / R / M / N / I
REFERENCE INDEX	MSCI ACWI TR ND
REFERENCE CURRENCY	USD
VALUATION/LIQUIDITY	Daily
REDEMPTION FEE	-
TAXATION IN THE EU	Tax treatments depends on the individual circumstances of each client and may be subject to change in the future. Please consult your tax advisor for more details.

The Prospectus, KIID, articles of incorporation, annual and semi-annual reports can be requested free of charge from www.loim.com and from the SICAV's registered office, at 291, route d'Arlon, L-1150 Luxembourg.

LO Funds–Global FinTech terms

Standard classes

Fund Inception date	6 April 2020			
Legal structure	SICAV – UCITS			
Custodian bank	CACEIS Bank Luxembourg			
Central administration	CACEIS Bank Luxembourg			
Investment terms	Class N	Class I	Class P	Class M
Management fee	0.750%	0.750%	0.750%	0.825%
Distribution fee	–	–	0.750%	–
Performance fee	–	–	–	–
Entry/Exit fees	–	–	–	–
FROC	0.25%	0.21%	0.35%	0.35%
Ongoing charge (31/10/22)	1.03%	1.00%	1.88%	1.21%
TER max (31/03/22)	1.00	0.96%	1.85%	1.18%
Liquidity	Daily	Daily	Daily	Daily
Non-dealing NAV	Daily	Daily	Daily	Daily
Subs. & redemp. deadline	T-1, 15:00 CET	T-1, 15:00 CET	T-1, 15:00 CET	T-1, 15:00 CET
Subs. & redemp. payment date	T+2	T+2	T+2	T+2
Minimum investment	CHF 1,000,000 (or equivalent)	CHF 1,000,000 (or equivalent)	EUR 3,000 (or equivalent)	EUR 3,000 (or equivalent)
Reference currency	USD	USD	USD	USD

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Investor Information Documents (KIIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B “Risk Factors Annex” of the prospectus.



Appendix

FinTech is driven by 3 megatrends



Demographics: The rise of a new tech-savvy generation of Millennials and GenZ, especially in China and India.



Technology: New digital technologies bring along new products and improve efficiency in financial services.

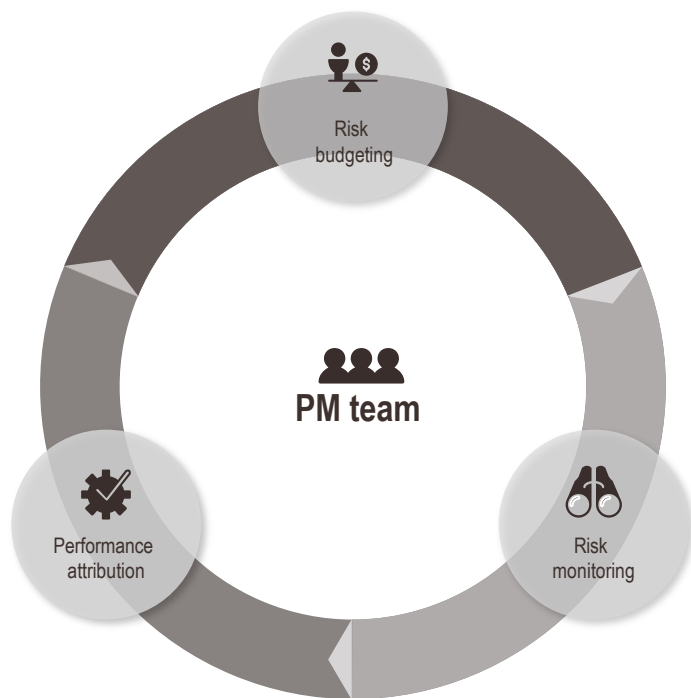


Inequality: Financial inclusion, onboarding 2 billion people to the financial system in emerging as well as developed markets.

Source: LOIM. For illustrative purposes only. Views and opinions expressed are for informational purposes only and do not constitute a recommendation by LOIM to buy, sell or hold any security. Views and opinions are current as of the date of this video and may be subject to change. They should not be construed as investment advice. Sources: United Nations, The University of Sheffield's Grantham Centre for Sustainable Futures, Oxfam International, World Economic Forum. Image: IBM 16 Qubit Processor, https://www.flickr.com/photos/ibm_research_zurich/sets/72157663611181258. Views and opinions are current as of the date of this presentation and may be subject to change.

Portfolio construction and risk management process

Risk is managed on several levels



INVESTMENT TEAM – Risk integration within the portfolio

- Position's weight are constrained by overall portfolio's volatility target and convictions.
- Entry and exit timing are a function of opportunity, liquidity, correlations, and volatility.
- Sell discipline is dependent on valuation judgment. We are seller if:
 - No longer attractive discount (target price reached)
 - Depreciation of estimated company value, no longer attractive
 - A similar company has a greater discount/similar discount but better-quality

RISK TEAM – Independent risk monitoring

- Risk analysis: ex-ante Vol and TEV, back-test, style & industry bias, active risk decomposition, monitoring of alpha generation, in-house liquidity metric
- Daily basis monitoring and ad-hoc discussions initiating about:
 - Intraday drawdown monitoring at portfolio and position level
 - Monitoring alignment of portfolio with LOIM investment principals
 - Exposure to bottom ESG quintiles companies and controversies

Source: LOIM as at April 2023. For illustrative purposes only.

Why Global FinTech instead of alternative providers?

Benefits Global FinTech versus PE/VC:

- Higher liquidity (PE/VC locks up assets 7 years or longer)
- Risk/Return profile of private equity portfolio differs from listed FinTech portfolio (high fail-rate in PE)
- Public companies also have good returns.

Benefits Global FinTech versus ETFs:

- Passive funds do not look at fundamentals, but only categorize companies based on their industry classification. This can result in a mismatch in two ways: companies in the ETF that are not proper FinTech companies and/ or proper FinTech companies that are not in the passive fund
- Passive alternatives categorize on sub-sector classification, for instance; payment companies, or data-analytics companies. Global FinTech looks on the broad ecosystem
- Passive is not that much cheaper

Source: LOIM, as at 30 December 2022.

Important Information (1/4)

This document is a **Marketing Communication** relating to **Lombard Odier Funds** and its **Sub-Fund LO Funds – Global FinTech** (altogether referred to as the "Fund"). This document is intended only for **Professional Investors** in the EU/EEA countries where the Fund is registered for distribution, within the meaning of the Markets in Financial Instruments Directive 2014/65/EU (MiFID) and is not intended for retail investors, nor for U.S. Persons as defined under Regulation S of the United States Securities Act of 1933, as amended.

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The Source of the data has been mentioned wherever it was available. Unless otherwise stated, the data is prepared by LOIM.

An investment in the Fund is not suitable for all investors. The ownership of any investment decision(s) shall exclusively vest with the investor. Investment must be done after analysing all possible risk factors and by exercising of independent discretion. The investor must particularly ensure the suitability of an investment as regards with his/her financial situation, risk profile and investment objectives investing. **There can be no assurance that the Fund's investment objective will be achieved or that there will be a return on capital. Past or estimated performance is not necessarily indicative of future results and no assurance can be made that profits will be achieved, or that substantial losses will not be incurred.** The investor bears the risk of losses in connection with any investment. The information contained in this document does not constitute any form of advice on any investment or related consequences of making any particular investment decision in any particular investment decision in any Fund. Each investor shall make his/her own appraisal of risk, goals, liquidity, taxes and other financial merit of his/her investment decisions. Views, opinions and estimates may change without notice and are based on a number of assumptions which may or may not eventuate or prove to be accurate. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment varies, and/or current market conditions and are not an exact indicator. What you will get will vary depending on how the market performs and how long you keep the investment/product. Investments are subject to a variety of risks. The investments mentioned in this document may carry risks that are difficult to quantify and integrate into an investment assessment. In general, products such as equities, bonds, forex, or money market instruments bear risks, which are higher in the case of derivative, structured, and private equity products; these are aimed solely at investors who are able to understand their nature and characteristics and to bear their associated risks. On request, LOIM will be pleased to provide investors with more detailed information concerning risks associated with given instruments. The liquidity of an investment is subject to supply and demand.

Important Information (2/4)

Some products may not have a well-established secondary market or in extreme market conditions may be difficult to value, resulting in price volatility and making it difficult to obtain a price to dispose of the asset. Where the Fund is denominated in a currency other than an investor's base currency, changes in the rate of exchange may have an adverse effect on price and income. All performance figures reflect the reinvestment of interest and dividends and do not take account the commissions and costs incurred on the issue and redemption of shares/units; performance figures are estimated and unaudited. Net performance shows the performance net of fees and expenses for the relevant fund/share class over the reference period. This document does not contain personalised recommendations or advice and is not intended to substitute any professional advice on investment in financial products. Neither this marketing communication nor 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 to the Fund. Not all costs are listed in this document and the investor is recommended to refer to the Offering documents for more information.

The articles of association, the prospectus, the Key Information Document ("PRIIPS/KIDs"), and the subscription form are the only official Offering Documents of the Fund's shares (the "Offering Documents"). No party is authorised to provide information or make assurances that are not contained in the Offering Documents.

Access to documents in country of registrations:

The **PRIIPS/KIDs** are available in one of the official languages of your country and a Prospectus is available in English, French, German and Italian. The **PRIIPS/KIDs** and the Prospectus together with the Articles of Incorporation and the last annual and semi-annual financial report are available on [LO Funds - Global FinTech, \(USD\) N A \(lombardodier.com\)](https://www.lombardodier.com/LOFunds-GlobalFinTech_USD_NA) or can be requested free of charge 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. These Offering Documents are provided for information and illustration and is not a contractually binding document or an information required by any legislative provisions and is not sufficient to take an investment decision.

Please refer to the prospectus and the **PRIIPS/KIDs** before making any final investment decisions. Before making an investment in the Fund, an investor should read the entire Offering Documents, and in particular the risk factors pertaining to an investment in the Fund, consider carefully the suitability of such investment to his/her particular circumstances and, where necessary, obtain independent professional advice in respect of risks, as well as any **legal, regulatory, credit, tax, and accounting**

consequences.

LOIM recognises that conflicts of interest may exist as a consequence of the distribution of the Fund issued or managed by entities within the Lombard Odier Group. LOIM has a Conflict of Interests policy to identify and manage such conflicts of interest and a copy of this policy is available on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

A summary of investor's rights relating to regarding complaints and litigation is available in English on <https://am.lombardodier.com/home/asset-management-regulatory-disc.html>.

This Fund is classified as Article 8 under the 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 ("SFDR"). A Summary of the sustainable website product disclosure is available in English in the "Sustainability-related Disclosure" section of the website fund page on [SRD_1735_GB_EN.PDF \(lodh.com\)](https://www.lombardodier.com/SRD_1735_GB_EN.PDF). Methodological limits: Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

A Summary of the sustainable website entity level disclosure is available in English in the "Regulatory and voluntary" section of the website fund page on [RD_1735_GB_EN.PDF \(lodh.com\)](https://www.lombardodier.com/RD_1735_GB_EN.PDF)

Limitation on Sale

The shares issued for this Fund may only be publicly offered or sold in countries in which such a public offer or sale is permitted. Therefore, unless the Management Company or representatives of the Management Company have filed an application with the local supervisory authorities and permission has been granted by the local supervisory authorities, and as long as no such application has been filed or no such permission granted by the supervisory authorities, this Fund does not represent an offer to buy investment shares.

Important Information (3/4)

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The Fund is currently notified for marketing into a number of jurisdictions. The Management Company may decide to terminate the arrangements made for the marketing of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

When the Fund is registered in the following jurisdictions, it is represented by the following Representatives:

Austria. Representative: Erste Bank der österreichischen Sparkassen AG, Am Belvedere 1, 1100 Vienna, Supervisory Authority: Finanzmarktaufsicht (FMA).

France. Representative: CACEIS Bank, Rue Gabriel Péri 89-91, 92120 Montrouge, Supervisory Authority: Autorité des marchés financiers (AMF)

Germany. Representative: DekaBank Deutsche Girozentrale, Mainzer Landstraße 16, D-60325 Frankfurt am Main, Supervisory Authority: Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)

Italy. Paying Agents: Société Générale Securities Services S.p.A., Via Benigno Crespi, 19/A-MAC 2, 20159 Milano, State Street Bank International GmbH – Succursale Italia, Via Ferrante Aporti, 10, 20125 Milano, Banca Sella Holding S.p.A., Piazza Gaudenzio Sella, 1, 13900 Biella, All funds Bank, S.A.U., Milan Branch, Via Bocchetto 6, 20123 Milano, CACEIS Bank S.A., Italy Branch, Piazza Cavour 2, 20121 – Milano, Supervisory Authority: Banca d'Italia (BOI)/ConSob

Liechtenstein. Representative, LGT Bank AG Herrengasse 12, 9490 Vaduz, Supervisory Authority: Finanzmarktaufsicht Liechtenstein ("FMA")

Netherlands. Representative: Lombard Odier Funds (Europe) S.A. – Dutch Branch, Parklaan 26, 3016 BC Rotterdam, Supervisory Authority: Autoriteit Financiële Markten (AFM)

Spain. Representative: All funds Bank, S.A.U. C/de los Padres Dominicos, 7, 28050, Madrid, Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV)

Sweden. Representative: SKANDINAVISKA ENSKILDA BANKEN AB (publ), Kungsträdgårdsgatan, SE-10640 Stockholm, Supervisory Authority: Finans Inspektionen (FI)

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United Kingdom. Representative: Lombard Odier Asset Management (Europe) Limited, Queensberry House, 3 Old Burlington Street, London W1S3AB, Supervisory Authority: Financial Conduct Authority (FCA)

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Important Information (4/4)

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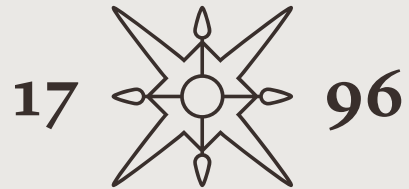
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