

ram^{ai}

RAM MULTI ASSET CREDIT STRATEGY.

Leave the **herd** behind.



BIOGRAPHIES:



FABIO VANERIO

Lead Fund Advisor

- 20 years of Investment Experience
- Ex Cairn Capital, Hermes, Moody's
- Graduate of Bocconi University, Milan
- Joined RAM AI in 2021



VINCENT OLLIVIER

Fund Manager

- 7 years of Investment Experience
- Ex GFG, BNP, UBS
- Graduate of EDHEC Business School
- Joined RAM AI in 2021

RESPONSIBILITIES:

- ⌚ Lead advisor of the RAM MAC strategy
- ⌚ Responsible for asset allocation (within the credit spectrum)
- ⌚ Responsible for bonds picking and credit analysis
- ⌚ Oversee the risk at sleeves and portfolio level
- ⌚ Oversee ESG integration

- ⌚ Portfolio manager of the RAM MAC strategy
- ⌚ Responsible for asset allocation (within the credit spectrum)
- ⌚ Responsible for bonds picking and credit analysis
- ⌚ Oversee trading execution
- ⌚ Oversee ESG integration

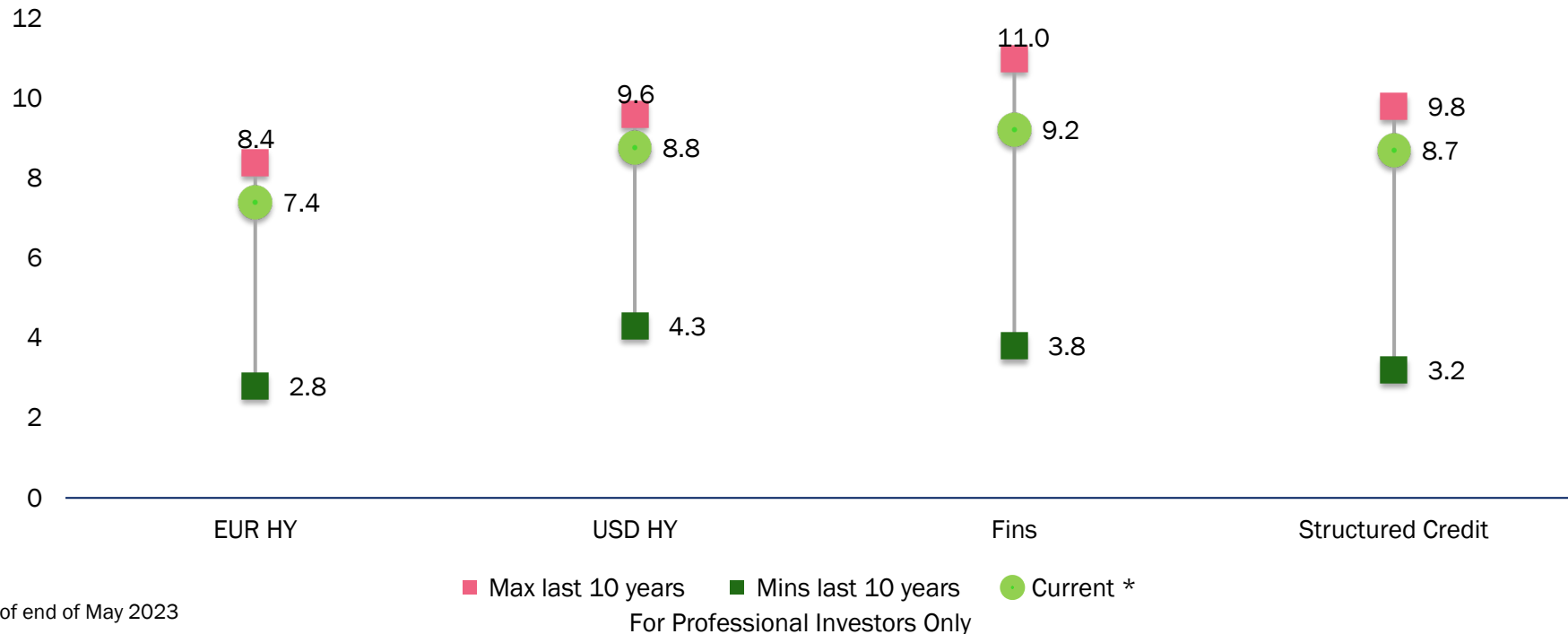
RAM Multi Asset Credit Strategy.



Market Context: Valuations

- 2022 was the worst year for bonds in living memory.
- After the recent lows caused by a few idiosyncratic events (US Regional Banks stress, CS' demise), April and May saw a return to calm for credit markets as **focus shifted back to fundamentals ahead of the sector's first quarter earnings.**
- **Risks still remain for all asset classes..... but valuations have become very attractive.**
- The complete disregard for credit quality in the sell-off implies there are **ample alpha generating opportunities.**

CREDIT - ATTRACTIVE YIELDS



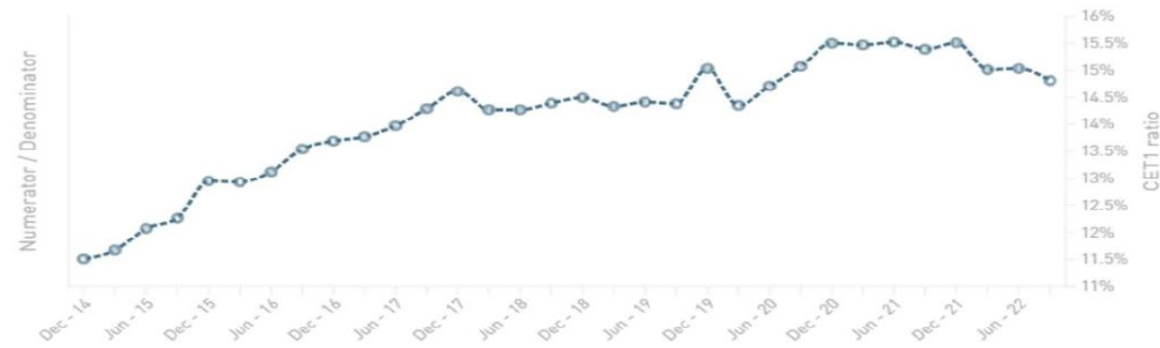
RAM Multi Asset Credit Strategy.



Market Context: Focus on Financials

- Following extreme volatility during March, **AT1s outperformed in May** as flows remain driven by **new investors seeking sustainable sources of high-quality income, using the dislocation** in spreads to historically wide levels as a unique entry opportunity.
- **European Banking Authority (EBA) is looking at reforms to the AT1 sector to boost interest.** These changes would not necessarily have a huge change on bank behaviour, but underlines the regulator **commitment to the asset class** and reiterates that **AT1s sit above equity** in the capital structure.
- **EU banks are reporting better than expected results**, hugely benefitting from Central Banks hikes. **Deposit outflows have been manageable** at less than 2% as corporates and households have marginally switched to take advantage of higher rates elsewhere. EU banking **capitalisation remains very solid with a CET1 ratio at 14.8%**.
- Very positively both **UniCredit and Lloyds announced calls of two AT1s** at their first opportunity. **BBVA and Bank of Cyprus reopened primary market.**

European Banks' Capital Adequacy (CET1 ratio) – (Source: Bloomberg as of Q3 2022)



Source: Supervisory reporting
Numerator / Denominator: Dec - 14 = 100



RAM Multi Asset Credit Strategy.



Our Outlook

- While further smaller rate rises may be on the cards, the **hiking cycle looks close to peaking**, ending the big repricing of bonds over the last year, significantly **bringing down interest rate volatility** and **providing a boost to the asset class**.
- Despite the uncertainty on global growth, **valuation looks compelling**, with credit spreads at attractive levels compared to historical averages and **fundamentals remaining solid across sectors**.
- Going forward we will take a **close look at macroeconomic developments, inflation expectations and tightening of financial conditions** following stress in the banking space. An evolving situation that underscores the need to constantly monitor credit fundamentals and market movements.
- We maintain **a dynamic top-down hedging approach** as we did during the March CS AT1 driven sell-off.

RAM Multi Asset Credit Strategy.



Strategy Characteristics

- Strategy offers **exposure to credit spreads**
- **Diversified portfolio** of global credit instruments actively managed: **collection of best ideas**
- High flexibility and unconstrained approach: **no benchmark**
- **Daily liquidity**
- **Bottom-up approach** on the bond selection and **top-down approach** on the portfolio composition
- No FX risk
- **ESG integration**
- Fully integrated with RAM risk management framework

RAM Multi Asset Credit Strategy.



Strategies & Instruments: Four Different Credit Asset Classes

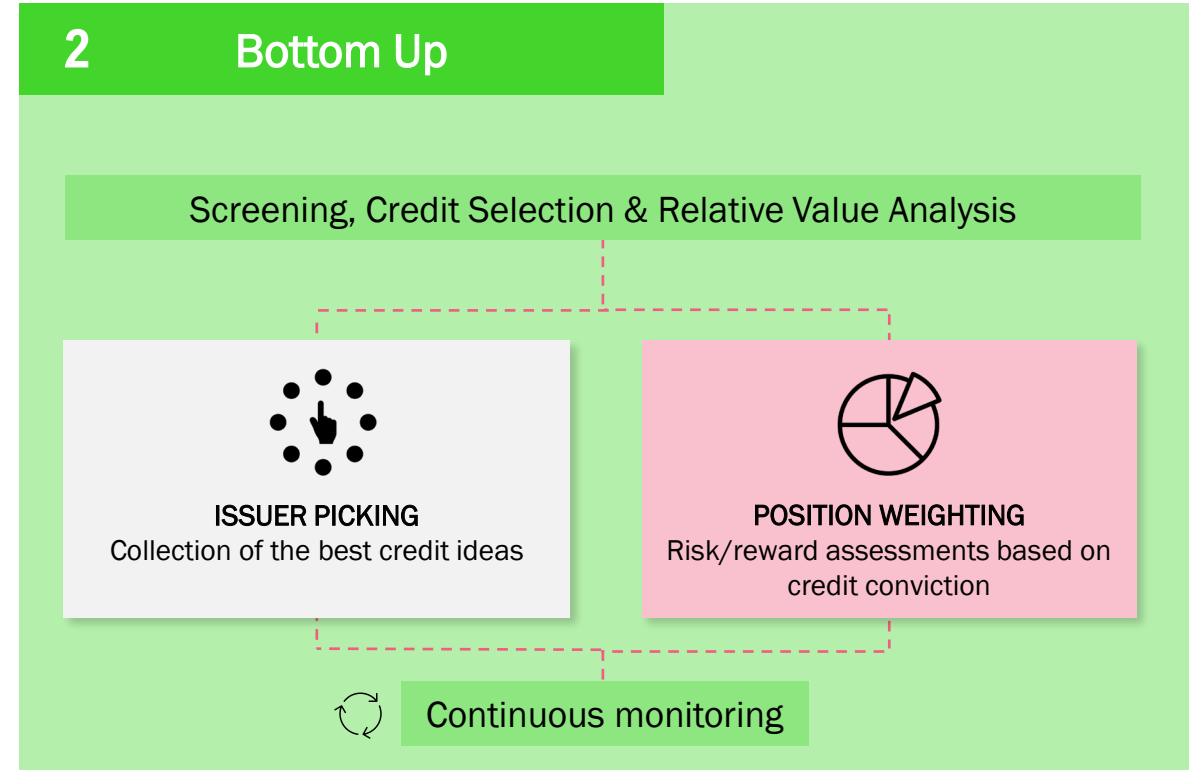
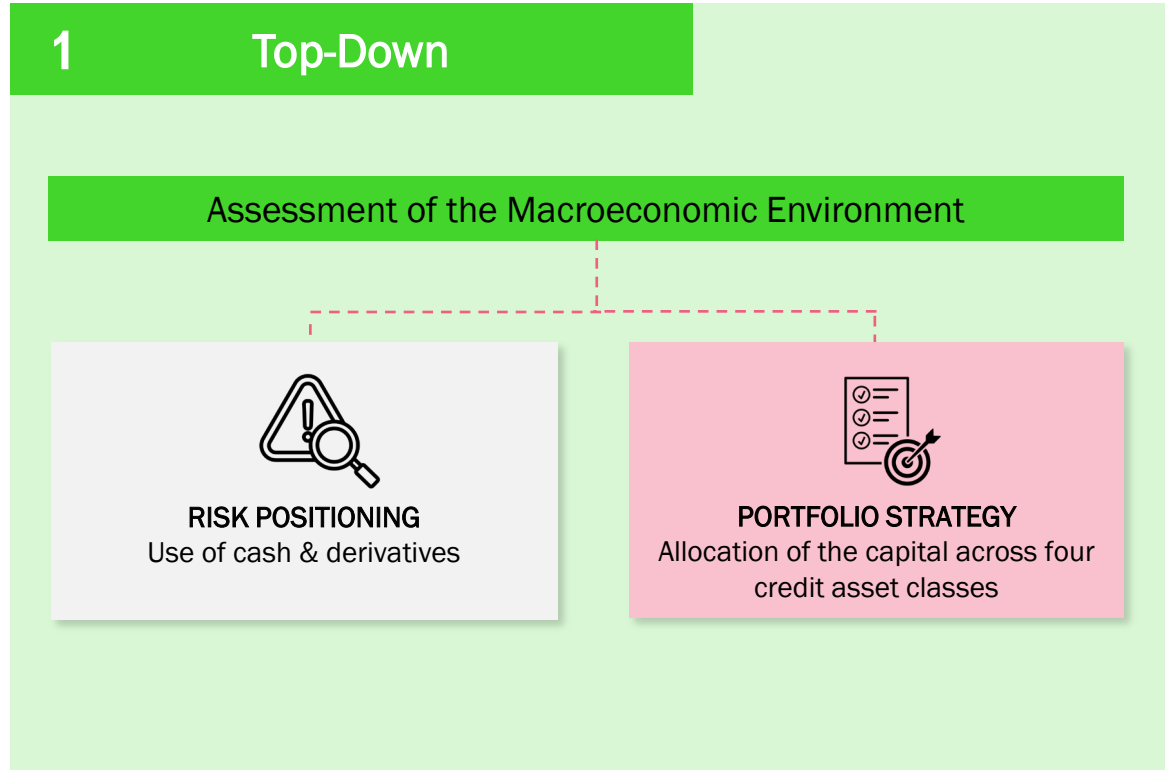
EACH ASSET CLASS OFFERS A BREADTH OF OPPORTUNITY AND FLEXIBILITY TO MANAGE THE PORTFOLIO THROUGH DIFFERENT ENVIRONMENTS

Asset Classes	Financials	Corporates	ABS	Structured Credit
Instrument types	<ul style="list-style-type: none"> • Senior secured, senior unsecured and subordinated bonds (legacy and new style CoCos) • Senior and subordinated CDS 	<ul style="list-style-type: none"> • IG and HY bonds • Single name CDS 	<ul style="list-style-type: none"> • Senior and mezzanine tranches in ABS, RMBS, and CMBS 	<ul style="list-style-type: none"> • CLO 2.0 tranches
Target gross return in EUR (p.a.)	8-12%	7-10%	4-6%	8-10%
Rating range	BBB/BB	BBB/BB/B	BBB	A/BBB/BB

The Rating is created using a methodology developed by the investment manager, using ratings from various ratings agencies. Detailed information on the rating is provided in the strategy's prospectus. Target Return is not a reliable indicator of future performance.

Investment Process.

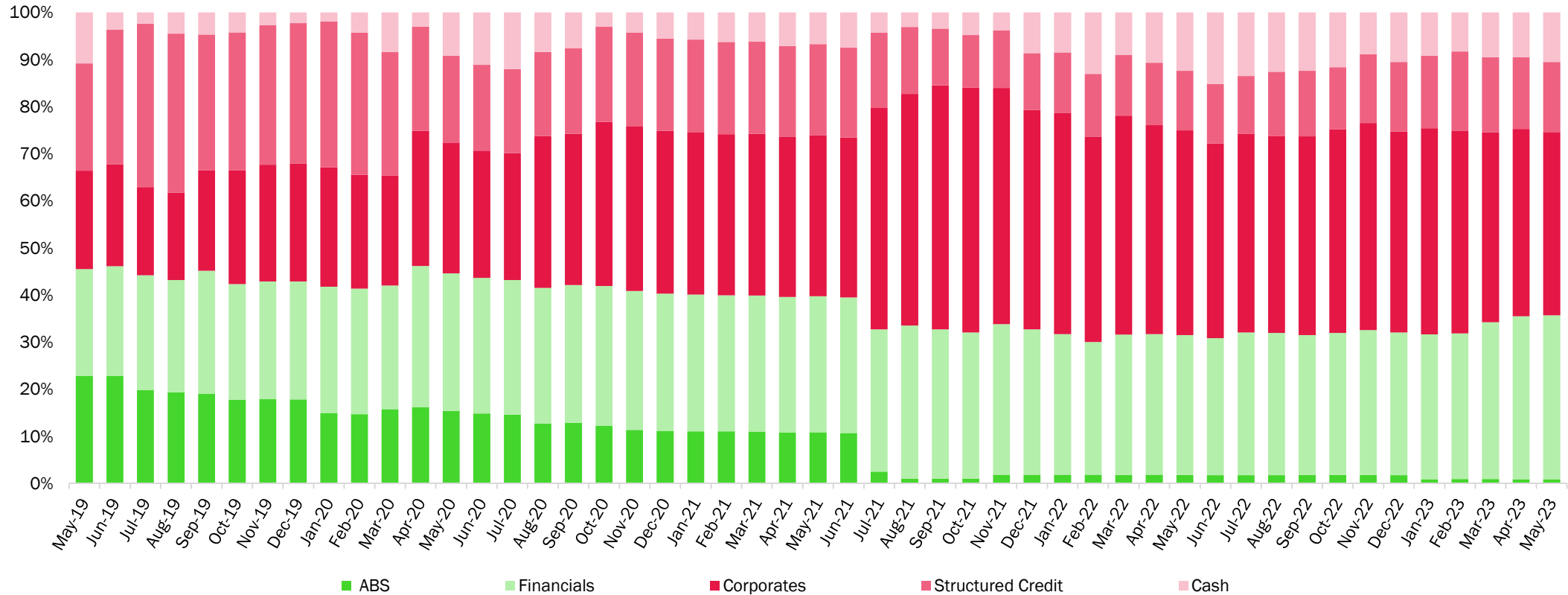
Our Dual-Step Approach to Investment



Strategies & Instruments.

Four Different Credit Asset Classes

RAM MULTI ASSET CREDIT STRATEGY'S HISTORICAL NAV ALLOCATION BY STRATEGY



RAM Multi Asset Credit Strategy.



Our Positioning

- Yield: above 8% in €, around 10% in \$
- Average price of our 171 positions: 88
- Average rating: BB+
- Liquidity: increased to ~ 10% NAV to max flexibility in case of macro induced shocks
- Current level of spread (above 600bps on the portfolio) offers ample protection for investors in case of spread widening
- Financials: increase overall exposure by ~5% in particular in Tier 2 post CS saga at very attractive levels, 14% EU AT1 exposure only on well capitalised systemically important banks
- Corporates: improved quality of book by reducing exposure to cyclical B credits into more defensive higher rated names
- Structured: BBB CLO tranches, yielding 8-9%, are an extremely attractive opportunity in the current market context
- ABS: material reduction post COVID-19 following structural view for the asset class

RAM Multi Asset Credit Strategy.



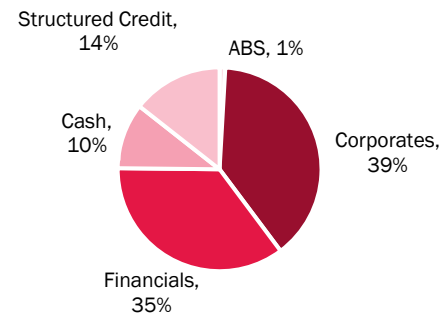
Portfolio Breakdown*

- Focus on Tier 1 European banks with strong capitalisation
- Preference for quality and defensive corporate sectors (with ample and predictable cash flows & strong balance sheets)
- Favour for CLO BBB tranches with a 20% cushion and yields around 8%/9%

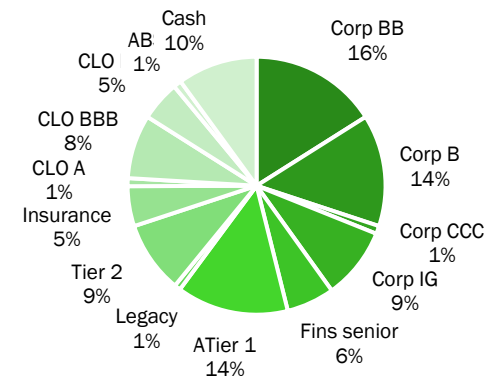
PORTFOLIO STATS

Number of Holdings	171
Average Rating	BB+
Average Spread	603bps

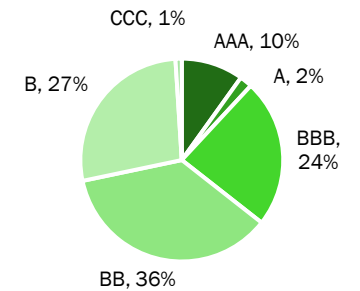
BREAKDOWN BY ASSET CLASS



BREAKDOWN BY SUB ASSET CLASS



BREAKDOWN BY RATING



RAM Multi Asset Credit Strategy.

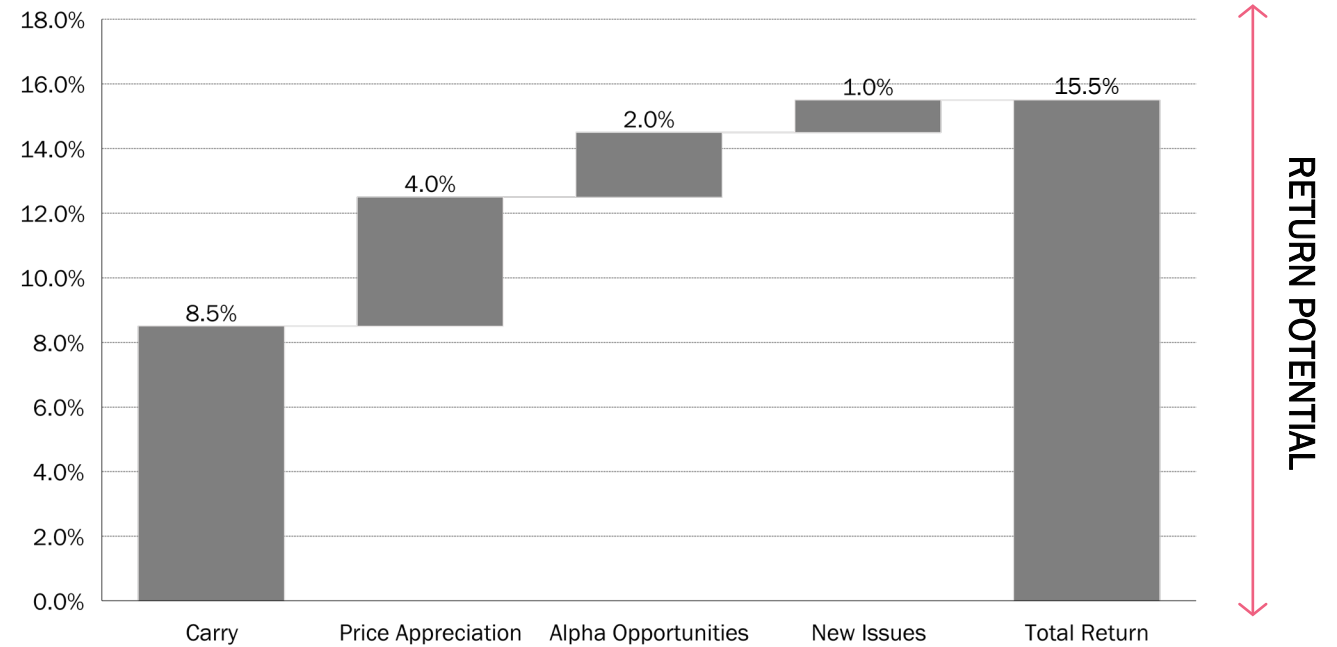


Potential for Double-Digit Return in Upside Scenario

- Attractive carry
- Potential from 100bps spread tightening from very high levels
- Idiosyncratic situations / market dislocation
- Primary market opportunities (new issuance premium)

Return Potential for Next 12 Months

Return potential expectations do not represent a reliable indicator of future performance.



RAM Multi Asset Credit Strategy.



Important Notice Regarding Hypothetical Return Assumptions on Page 12

The hypothetical models presented herein are based on a number of hypothetical assumptions, including 100bps overall market tightening, and are presented only for the limited purpose of providing sample illustrations. The hypothetical models are not reflective of an actual portfolio and are not intended to represent what the fund would have earned over the same period had the fund been in operation. The actual returns of any fund are likely to have no correlation with the hypothetical models presented herein.

The Manager calculated the hypothetical performance data using the following methodology: the Manager adds up hypothetical performance from different styles and strategies in a positive market background.

The Hypothetical Model provided herein may materially differ from what the Fund's actual performance would have been. This is due to a number of factors, including the inherent limitations that would have existed if the Investment Manager had managed the Fund. Such limitations may include, but are not limited to, the inaccuracy of data available for the research process, the fact that the signals which drive the model can lose efficacy when applied in live markets, the inability to account for how RAM personnel would have actually traded on a real time basis in a live market, unforeseen macroeconomic shocks. Alternative assumptions which may be relied on in the future could produce significantly different results. The hypothetical results do not represent actual trading and may not reflect the impact that material economic and market conditions could have on the Investment Manager's decision making had this been an actual investment portfolio.

ram^{ai}

Appendix.

Leave the herd behind.

Performances.

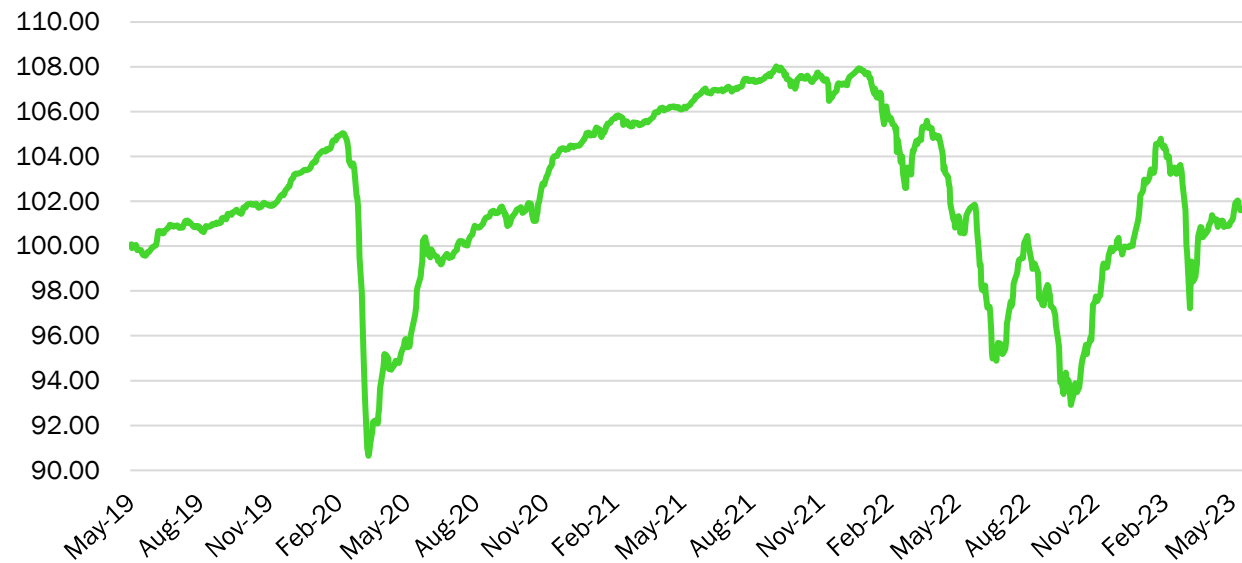
As of 31st May 2023



RAM UCITS MULTI ASSET CREDIT STRATEGY (EUR)

Past performance is not a reliable indicator of future performance. Performance is net of fees.

in % €	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Yearly
2023	3.25	0.03	-2.75	0.65	0.49								1.89
2022	-1.02	-2.35	1.10	-1.89	-1.60	-6.23	3.20	-0.05	-4.34	1.38	3.92	0.98	-7.17
2021	0.45	0.43	0.12	0.63	0.21	0.50	0.13	0.35	0.18	-0.08	-0.86	1.02	3.11
2020	0.91	-0.52	-11.22	2.98	3.44	1.08	0.86	1.22	-0.12	-0.04	2.87	0.45	1.06
2019					-0.40	1.07	0.41	-0.10	0.58	0.14	0.52	1.12	3.39



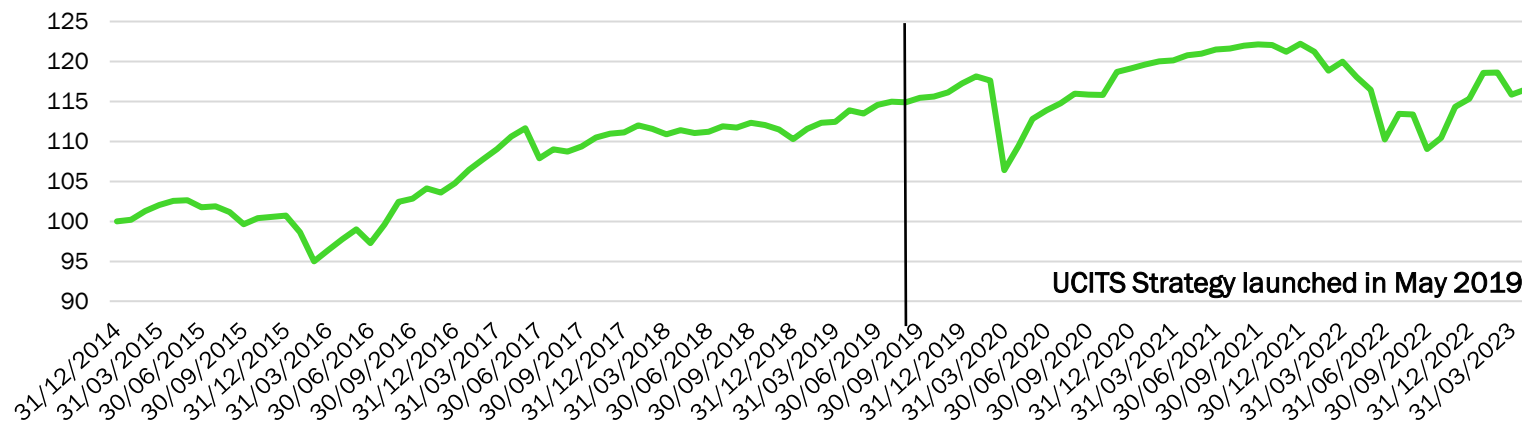
Strategy Launch	May 2019
AUM	€280mn
Net LTD Return	1.89%
Annualised Net Return	0.48%
Annualised Volatility	+4.1%
Sharpe Ratio	0.12

Performances.



More than 8 Years Track Record in the Strategy

Past performance is not a reliable indicator of future performance. Performance is net of fees.



Strategy Launch	January 2015
AUM	€280mn
Net Return Since Launch	17.7%
Net return Annualised	2,4%
Volatility	3.4%
Indice Sharpe	0,7

in % €	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Yearly
2023	3.25	0.03	-2.75	0.65	0.49								1.89
2022	-1.02	-2.35	1.10	-1.89	-1.60	-6.23	3.20	-0.05	-4.34	1.38	3.92	0.98	-7.17
2021	0.45	0.43	0.12	0.63	0.21	0.50	0.13	0.35	0.18	-0.08	-0.86	1.02	3.11
2020	0.91	-0.52	-11.22	2.98	3.44	1.08	0.86	1.22	-0.12	-0.04	2.87	0.45	1.06
2019					-0.40	1.07	0.41	-0.10	0.58	0.14	0.52	1.12	3.39

AIF Multi Asset Credit Strategy (EUR)													
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Yearly
2019	1.29	0.75	0.13	1.45									3.61
2018	0.89	-0.42	-0.68	0.49	-0.34	0.15	0.70	-0.19	0.63	-0.30	-0.56	-1.20	-0.85
2017	1.65	1.33	1.27	1.57	1.05	-3.76	1.11	-0.28	0.66	1.09	0.50	0.14	6.38
2016	-2.10	-3.65	1.42	1.35	1.23	-1.69	2.30	2.84	0.41	1.27	-0.51	1.18	4.55
2015	0.22	1.07	0.76	0.51	0.08	-0.88	0.12	-0.73	-1.52	0.78	0.14	0.19	0.72

Performances.



Correlation Matrix

RAM MULTI ASSET CREDIT STRATEGY IS A RELIABLE SOURCE OF UNCORRELATED RETURNS VERSUS OTHER ASSET CLASSES AND GOOD FIT WITHIN A DIVERSIFIED FIXED INCOME PORTFOLIO

Past performance is not a reliable indicator of future performance. Performance is net of fees.

	RAM MAC	EUR AT1	EUR HY	EUR BBB	US HY	MSCI World	Barclays Global Aggregate
RAM MAC	1						
EUR AT1	0.71	1					
EUR HY	0.82	0.64	1				
EUR BBB	0.14	0.13	0.51	1			
US HY	0.57	0.51	0.70	0.46	1		
MSCI World	0.40	0.35	0.47	0.22	0.68	1	
Barclays Global Aggregate	0.16	0.32	0.41	0.71	0.56	0.35	1

Correlation of returns in EUR over the period of May 2019 – May 2023 for RAM MAC credit strategy (net)

Performances.

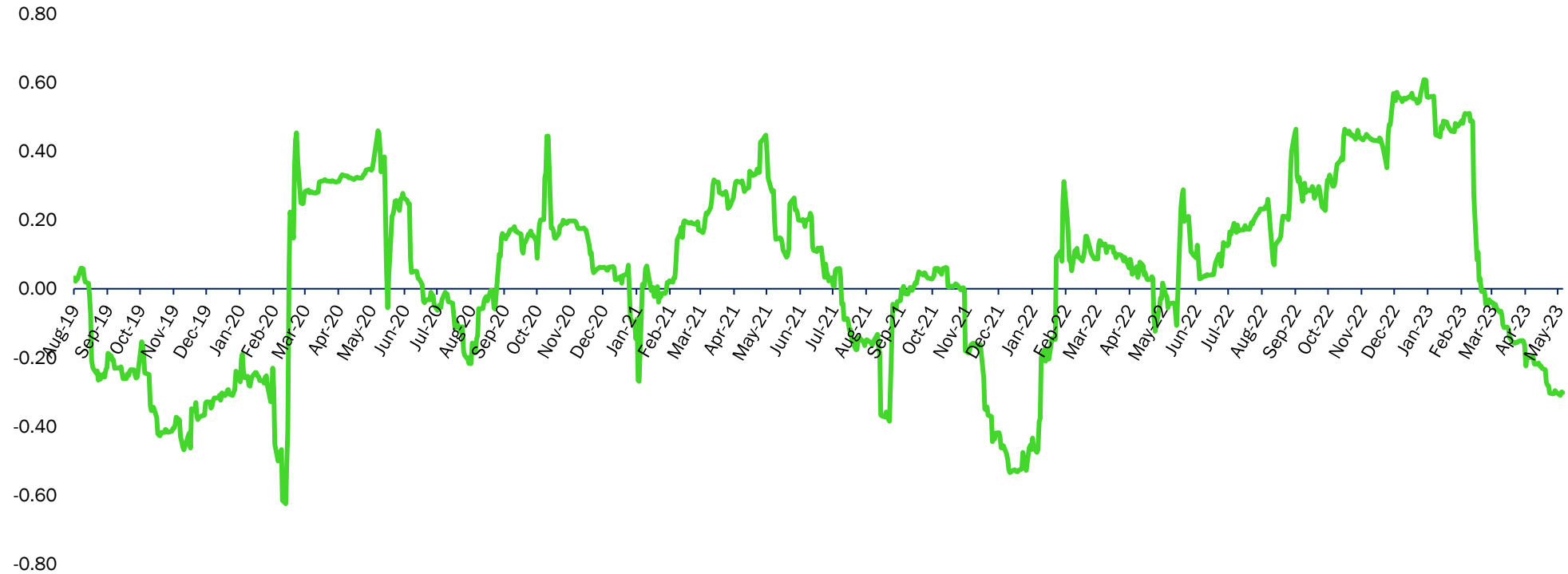


Correlation Matrix

RAM MULTI ASSET CREDIT STRATEGY IS A RELIABLE SOURCE OF UNCORRELATED RETURNS VERSUS OTHER ASSET CLASSES AND GOOD FIT WITHIN A DIVERSIFIED FIXED INCOME PORTFOLIO

Past performance is not a reliable indicator of future performance. Performance is net of fees.

60-DAY CORRELATION VS BLOOMBERG GLOBAL-AGGREGATE TOTAL RETURN INDEX



RAM Multi Asset Credit Strategy.



Performance vs Peers (As of 29/05/2023)

RAM UCITS MULTI ASSET CREDIT STRATEGY HAS CONSISTENTLY OVERPERFORMED PEERS OVER THE LAST YEARS

Strategy Name	YTD	Rank	1y	Rank	2y	Rank	3y	Rank	SI	Rank
Wellington Multi Sector	2.58	3	-1.04	12	-11.33	17	-1.98	11	3.08	1
JPM Multi Asset Credit	1.07	19	-0.58	7	-6.73	10	1.50	5	2.33	2
RAM Multi Asset Credit	2.19	7	0.50	5	-4.26	4	1.81	4	2.21	3
PGIM Multi Asset Credit	1.14	17	-0.31	6	-3.87	2	3.41	1	1.83	4
Amundi Absolute Return	0.34	25	-0.85	11	-5.05	7	-0.03	7	1.17	5
Twentyfour Dynamic Bond	1.48	15	-4.40	23	-11.97	20	-3.26	14	1.01	6
Hermes Unconstrained	0.65	23	-5.31	27	-13.48	23	-7.16	21	0.94	7
Bluebay Total Return	1.04	20	-3.79	19	-11.40	18	-1.62	9	0.35	8
Robeco Global Credit	2.58	4	-1.59	14	-10.62	16	-6.21	20	-0.24	9
Cheyne Global Credit	3.43	1	4.25	1	-0.95	1	0.53	6	-0.65	10
Pimco Credit Opportunities	1.87	10	1.18	3	-4.99	5	2.39	3	-0.66	11
Pimco Diversified Income Duration Hedged	1.49	14	1.90	2	-5.08	8	2.87	2	-1.53	12
Aberdeen Total Return	1.81	11	-3.91	20	-12.58	21	-5.22	18	-1.54	13
Twentyfour Strategic Income	0.79	22	-5.15	26	-13.71	24	-6.16	19	-1.90	14
Stone Harbor Multi Asset Credit	2.21	6	-1.55	13	-9.96	13	-1.77	10	-1.97	15
Nordea Flexible	2.88	2	1.04	4	-3.98	3	-4.98	16	-2.13	16
Allianz Global Multi Asset Credit	0.99	21	-0.82	10	-5.01	6	-1.15	8	-2.23	17
Threadneedle Credit Opportunities	-0.57	26	-3.06	16	-5.52	9	-2.77	12	-2.75	18
Fidelity Low Duration Credit	1.20	16	-0.78	9	-6.76	11	-2.84	13	-3.14	19
Eurizon Flexible	1.08	18	-3.11	17	-10.24	15	-8.42	22	-3.52	20
Hermes Multi Asset Credit	0.36	24	-4.34	22	-11.88	19	-5.01	17	-4.07	21
Jupiter Dynamic	2.05	8	-4.52	24	-12.98	22	-10.03	23	-4.81	22
Invesco Multi Sector	2.45	5	-0.66	8	-9.76	12	-3.29	15	-4.89	23
Schroder Multi Asset Credit	1.57	13	-4.24	21	-16.23	26	-10.69	24	-6.68	24
Pictet Global Credit	1.65	12	-4.66	25	-15.84	25	-12.95	27	-8.87	25
Deka Credit Opportunities	-1.22	27	-3.49	18	-17.15	27	-11.35	26	-10.46	26
Frank Templeton Multi Asset Credit	2.00	9	-2.47	15	-10.15	14	-10.87	25	-19.50	27

ESG Considerations.



RAM Active Investments applies the following objectives and process to its EU SFDR article 8 & 9 funds. The RAM MAC strategy is not in this scope yet, as it is currently an article 6 strategy. However, the target is to get it approved as article 8 by 2024.

OBJECTIVES

- Greenhouse gas (GHG) reduction: Target GHG emissions reduction => 20% reduction by 2025 and almost 50% reduction by 2030
- % ESG Assets Under Management (AUM) coverage: at least 70% by 2025 and at least 90% by 2030

PROCESS



Disclaimer.



Important Information:

Palladium FCP-RAM Mediobanca Strata UCITS Credit Fund is a Sub-Fund of Palladium FCP, a Luxembourg mutual fund with registered office: 2, Boulevard de la Foire L-1528 Luxembourg, Grand Duchy of Luxembourg, approved by the CSSF and constituting a UCITS (Directive 2009/65/EC).

The information and analyses contained in this document are based on sources deemed to be reliable. However, RAM Active Investments S.A. cannot guarantee that said information and analyses are up-to-date, accurate or exhaustive, and accepts no liability for any loss or damage that may result from their use. All information and assessments are subject to change without notice.

This document has been drawn up for information purposes only. It is neither an offer nor an invitation to buy or sell the investment products mentioned herein and may not be interpreted as an investment advisory service. It is not intended to be distributed, published or used in a jurisdiction where such distribution, publication or use is forbidden, and is not intended for any person or entity to whom or to which it would be illegal to address such a document. In particular, the investment products are not offered for sale in the United States or its territories and possessions, nor to any US person (citizens or residents of the United States of America). The opinions expressed herein do not take into account each customer's individual situation, objectives or needs. Customers should form their own opinion about any security or financial instrument mentioned in this document. Prior to any transaction, customers should check whether it is suited to their personal situation, and analyse the specific risks incurred, especially financial, legal and tax risks, and consult professional advisers if necessary.

Please refer to the Key Investor Information Document and prospectus with special attention to the risk warnings before investing.

The prospectus, constitutive documents and financial reports are available in English and French while KIIDs are available in the relevant local languages. These documents can be obtained, free of charge, from the Management Company's head office and <https://www.mediobancamanagementcompany.com> Swiss representative and paying agent-BNP Paribas Securities Services, Paris, succursale de Zurich with registered office in Selnaustrasse 16, 8002 Zurich, as well as the relevant local representatives in the distribution countries. This marketing document has not been approved by any financial Authority.

This document is strictly confidential and addressed solely to its intended recipient; its reproduction and distribution are prohibited. It has not been approved by any financial Authority. Issued in Switzerland by RAM Active Investments S.A. ((Rue du Rhône 8 CH-1204 Geneva)) which is authorised and regulated in Switzerland by the Swiss Financial Market Supervisory Authority (FINMA). Issued in the European Union and the EEA by Mediobanca Management Company S.A. 2, Boulevard de la Foire L-1528 Luxembourg, Grand Duchy of Luxembourg.

No part of this document may be copied, stored electronically or transferred in any way, whether manually or electronically, without the prior agreement of RAM Active Investments S.A.