

## Why now for bonds?

**Altius Asset Management is a leader and pioneer in sustainable fixed income investment within Australia. Specialists in responsible investing, sustainable cash and fixed interest, Altius is backed by a team of highly experienced investment professionals with a long serving track record.**

Altius manages three differentiated bond funds, all with an award-winning sustainability overlay.



### **Altius Sustainable Short Term Income Fund (SSTIF)**

Invests predominantly in floating rate notes and may be suited for those seeking higher cash rates and lower volatility.



### **Altius Sustainable Bond Fund**

Has intermediate exposure to bonds and additional flexibility to use as active risk management strategies - including inflation protection strategies.



### **Altius Green Bond Fund (GBF)**

Provides exposure to impactful bond investments across the whole yield curve. Aims to deliver defensive diversification and income characteristics of a traditional Australian fixed interest portfolio.

### **Key positives for bonds:**

- ✓ Interest rate policy now near normal.
- ✓ Central Banks no longer suppressing bonds – for the first time in a decade.
- ✓ Credit spread relative value is attractive (reward for risk).
- ✓ Relatively high yields to maturity (YTM ) for nominal fixed and floating rate bonds offer attractive carry opportunities.

### **Key positives for Altius:**

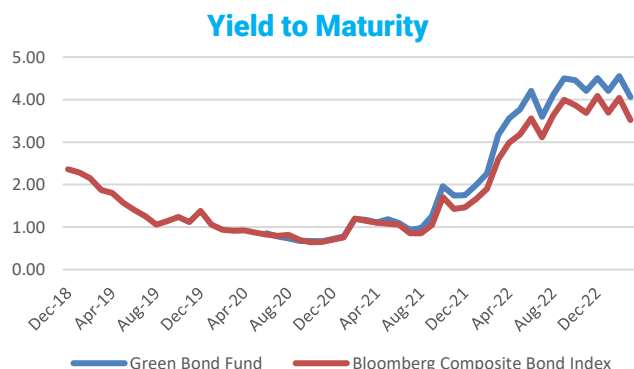
- ✓ Economics and inflation are now driving rates, thereby rewarding fundamental research and active management.
- ✓ Inflation breakeven rates also offer attractive carry opportunities.
- ✓ Short and long-term excess gross returns demonstrate the effectiveness of our approach in this investment environment (see table overleaf).
- ✓ Altius is an acknowledged leader in sustainable investment and ESG research, which is becoming crucial to managing what we consider to be the single largest investment theme of our lifetime – Decarbonisation and Net Zero transition.
- ✓ Investors value impact as well as benchmark-beating returns. We provide impactful investments and informative reporting.

Strengthened by

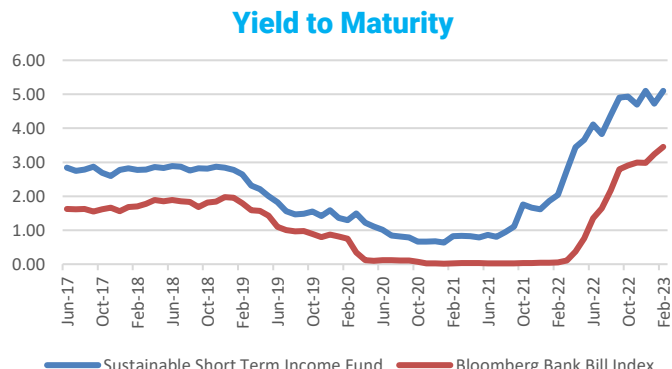
Bond returns have recovered this year after a challenging 2022 where yields moved higher in anticipation of cash rates rising steadily over 2023. Short term credit funds have had the benefit

this year of higher base rates and stable credit spreads to produce healthy returns.

### Yield to Maturity Comp Bond Index and Altius GBF



### Yield to Maturity Altius SSTIF



### Fund Performance Comparison as at 30 April 2023

	1 Year	3 Years	5 Years	Since inception
<b>Altius Sustainable Bond Fund Total Return (net)</b>	2.67	-0.40	0.62	1.59
Benchmark (net)*	2.26	-0.68	1.22	1.82
Excess return after fees	0.41	0.28	-0.60	-0.23
<small>*Bench mark is 50% Reserve Bank of Australia Cash Rate and 50% Bloomberg AusBond Composite 0+Yr Index Inception date is 21 November 2014</small>				
<b>Altius Sustainable Short Term Income Fund Total Return – Ordinary Units (net)</b>	3.00	1.41	1.58	1.71
Benchmark Bloomberg AusBond Bank Bill (net)	2.37	0.81	1.11	1.21
Excess return after fees	0.63	0.60	0.46	0.50
<small>Inception date is 13 June 2017</small>				
<b>Altius Green Bond Fund Total Return – Ordinary Units (net)</b>	2.16			-2.65
Benchmark Bloomberg AusBond Composite (0+Y) (net)	2.06			-2.56
Excess return after fees	0.10			-0.09
<small>Inception date is 18 June 2020</small>				

### Bill Bovingdon, Chief Investment Officer, Cash and Fixed Interest



Bill has an enviable 33-year track record in fixed interest asset management.

Prior to co-founding Altius, Bill was the head of Australian fixed income and chief executive officer at Aberdeen Asset Management. He has also been head of fixed income for Schroder Investment Management and Deutsche Asset Management.

His achievements include building market leading fixed income businesses by overhauling investment processes and systems and developing investment staff.

Bill has a long working relationship with Senior Portfolio Managers Chris Dickman and Gavin Goodhand, formed over many years.

For more information on the Altius Green Bond Fund, Altius Sustainable Short Term Income Fund and Altius Sustainable Bond Fund please contact your financial adviser or our Investor Services Team.

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