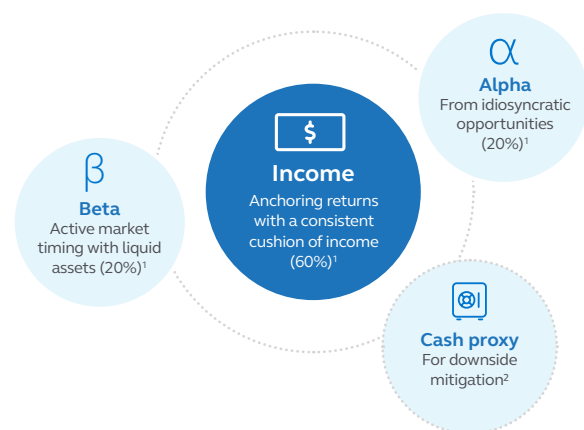


31 DECEMBER 2023

# Finisterre Unconstrained Emerging Markets Fixed Income Fund

**OBJECTIVE: To capture EMD market upside for 50% of its volatility and less than 50% of drawdowns**

- 1** Dynamic “all-weather” solution allocating to emerging market debt (EMD) performance drivers



<sup>1</sup>Expected performance contributions from the various performance drivers.

<sup>2</sup>Cash proxy includes defensive, short-dated EM sovereign and corporate credits, and local money market instruments. These assets have risk and may lose value.

## Quarterly distribution<sup>3,4</sup>

### Last four quarters' distribution yield history (annualised yield)

A2 Income Plus (IE00BKHY2863)	
March 2023	7.0%
June 2023	7.0%
September 2023	7.0%
December 2023	7.0%

<sup>3</sup>Payout for A2 Income Plus has been revised to 7.0% p.a effective 1 January 2023.

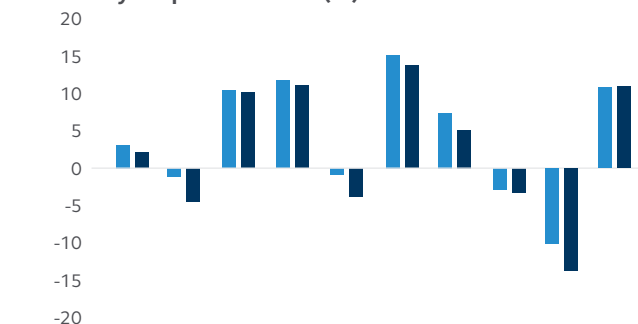
<sup>4</sup>Distribution is subject to the complete and absolute decision of the fund manager and there is no guarantee that a particular dividend policy will continue. Please refer to the fund prospectus & supplement for more details. ISIN here refers to USD share class which has a launch date of 15 April 2020. Also available in SGD-Hedged & EUR-Hedged. Please refer to next page for more details.

- 2** Strategy has delivered on EMD upside

Morningstar overall rating<sup>5</sup>



Calendar year performance (%)<sup>6</sup>



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 YTD
■ Strategy (net)	3.10	-1.05	10.43	11.73	-0.90	15.20	7.34	-2.94	-9.23	10.82
■ Blended index	2.13	-4.39	10.04	11.13	-3.96	13.93	5.07	-3.26	-13.90	10.99

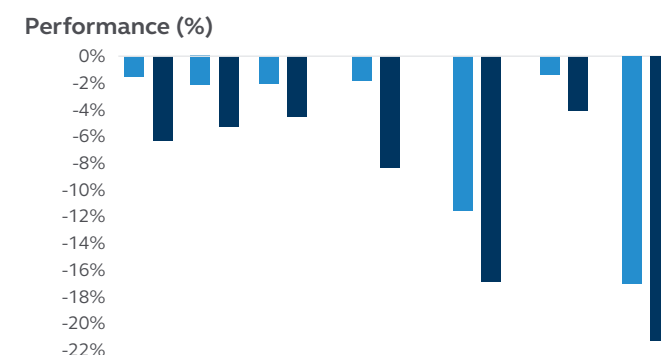
Source: Principal Finisterre. As of 31 December 2023.

<sup>5</sup>Overall Morningstar Rating<sup>TM</sup> as of 31 December 2023 reflects the I Acc USD share class in the 'Global Emerging Markets Bond Morningstar Category'. © 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

<sup>6</sup>Strategy refers to Emerging Markets Total Return Composite (launched on 31 May 2013), which is an active, unconstrained, adaptive, long-biased, benchmark-agnostic multi-EMD fixed income strategy. The Blended Index is the JP Morgan EM Equal Weight Total Return Index which is currently 33.3% CEMBI Broad Diversified, 33.3% EMBI Global Diversified, and 33.3% GBI-EM Global Diversified. Index performance information reflects no deduction for fees, expenses, or taxes. Indices are unmanaged and individuals cannot invest directly in an index. The U.S. Dollar is the currency used to express performance. Returns are presented net of management fees and include the reinvestment of all income. Net of fee performance was calculated using actual management fees of 85 bps, accrued daily. The investment management fee schedule may vary, is client specific and fees are negotiable. The maximum investment management fee that may be charged to investors is 2.0%.

- 3** Proven track record to reduce downside risk

Limiting downside during crisis



	Russia crisis (2014)	Oil crisis (2015)	U.S. election (2016)	Fed normalisation (2018)	COVID-19 outbreak (2020)	U.S. yields repricing (2021)	2022 Perfect Storm (2022)
■ Strategy (gross)	-1.43	-2.34	-2.18	-1.85	-11.54	-1.66	-17.11
■ Blended index	-6.29	-5.32	-4.56	-8.40	-17.93	-4.08	-21.46

Source: Principal Finisterre. Chart reflects gross of fees performance of the Finisterre Emerging Markets Total Return Composite. For illustrative purposes only.

## Stayed clear of problem stories

### Argentina's sell-off – August 2019

- ✓ We had no Argentina exposure going into the sell-off.
- ✓ We took all profits prior, in late July/early August.

### Turkey's currency and debt crisis – August 2018

- ✓ No Turkish positions going into the crisis.
- ✓ As the crisis unfolded, we added and benefited from a tactical position (+30 bps contribution).

Strictly for institutional, professional, qualified and/or wholesale investor use only in permitted jurisdictions as defined by local laws and regulations. Past performance is not a reliable indicator of future performance. For illustrative purposes only.

## 4 Experienced team

Principal Finisterre was founded in London in 2002 as a specialist EMD investment manager. The team manages assets of \$3.89b, as of 31 December 2023.



**DAMIEN BUCHET, CFA**  
Chief Investment Officer  
31 years' investment experience



**CHRISTOPHER WATSON, CFA**  
Senior Portfolio Manager  
24 years' investment experience



### Principal Financial Group®

- Nasdaq listed ("PFG")
- Member of the FORTUNE 500®
- Heritage dating back to 1879
- More than 18,500 employees worldwide<sup>7</sup>

Principal Asset Management is the asset management group of PFG, and has an AUM of \$540.4b.<sup>8</sup>

<sup>7</sup>As of 31 December 2021.

<sup>8</sup>As of 31 December 2023.

## 5 Fund details

Please refer to the fund prospectus and supplement for more details.

	A Accumulation	A2 Income Plus	I Accumulation	I Income
<b>USD</b>	IE00BD2ZKR05	IE00BKHY2863	IE00BD2ZKP80	IE00BD2ZKQ97
<b>SGD-H</b>	IE00BD2ZLB10	IE00BKHY2B97	—	—
<b>EUR-H</b>	IE00BD2ZKT29	IE00BKHY2970	IE00BD2ZKW57	IE00BD2ZKX64
<b>GBP-H</b>	—	—	IE00BD2ZKY71	—
<b>CHF-H</b>	IE00BD2ZL442	—	IE00BD2ZL111	IE00BD2ZL004
<b>Distribution frequency</b>	—	Quarterly	—	Quarterly
<b>Minimum initial investment (\$)</b>	1,000	1,000	2,000,000	2,000,000
<b>Management fee</b>	1.50% p.a.	1.50% p.a.	0.85% p.a.	0.85% p.a.
<b>Admin fee</b>	0.15% p.a.	0.15% p.a.	—	—

Principal Finisterre is an investment team within Principal Global Investors.

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