

Asset Management / Fund Factsheet / 28.04.2023

Vontobel Fund - TwentyFour Absolute Return Credit Fund AQN, GBP

Morningstar Rating as of 31.03.2023 ★★★

Marketing document for retail investors in: CH, GB, IE, LU

Investment objective

This bond fund aims to achieve a positive absolute return over a period of three years by keeping a modest level of volatility, while respecting risk diversification.

Key features

The fund can invest worldwide, with a focus on Europe, in corporate bonds and similar fixed-interest and floating-rate securities in various currencies of diverse issuers of good quality (investment grade). The fund can use derivative financial instruments for hedging purposes.

Approach

The experienced and diverse investment team takes high-conviction decisions based on rigorous macro-economic, technical and issuer analyses. In line with their continuous assessment of market conditions and future developments, the team allocates interest-rate and credit risks with the aim to benefit from any market environment. They select those securities and instruments within the investment universe in which they see the most rewarding yield and/or hedging values. The team actively adapts the portfolio to invest in attractive opportunities whenever they occur while keeping risks under control.

Risk and reward profile



| | |
|--|---------------------------------|
| Portfolio management | TwentyFour Asset Management LLP |
| Fund domicile, legal structure, SFDR | Luxembourg, UCITS, Art. 8 |
| Currency of the fund / shareclass | GBP / GBP |
| Launch date fund / shareclass | 28.08.2015 / 18.12.2015 |
| Fund size | GBP 3,064.33 mio |
| Net asset value (NAV) / share | GBP 101.43 |
| ISIN / VALOR | LU1331789377 / 30670273 |
| Management fee | 0.40% |
| Ongoing charges (incl. Mgmt. fee) as of 28.02.2022 | 0.54% |
| Maximum entry / switching / exit fee ¹⁾ | 5.00% / 1.00% / 0.30% |
| Distribution policy | distribution, quarterly |
| Last distribution on 21.03.2023 | GBP 0.70 |
| Distribution yield | 2.18% |

¹⁾ Refer to fund distributor for actual applicable fees, if any.
No reference index is mentioned as the fund's objective is not linked to an index.

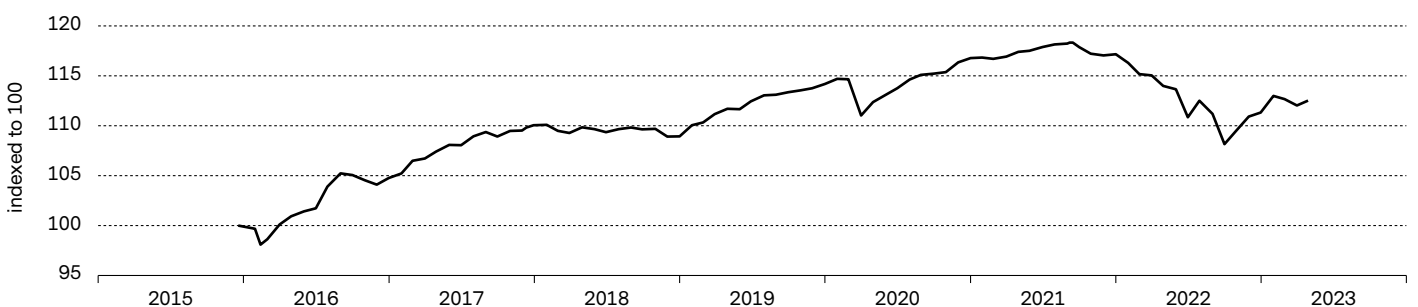
Portfolio Characteristics

| | |
|--------------------------------|-------|
| Volatility ²⁾ | 1.62% |
| Modified duration (years) | 1.33 |
| Credit-spread duration (years) | 1.42 |
| Average Rating ³⁾ | A- |
| Yield to worst (YTW) | 5.93% |

²⁾ Data for shareclass G (GBP), calculated on daily values over 3 years.

³⁾ For non-rated sovereign bonds, the issuing sovereign's rating will be used. For all other non-rated bonds, an internal rating is applied.

Historical Performance (%)

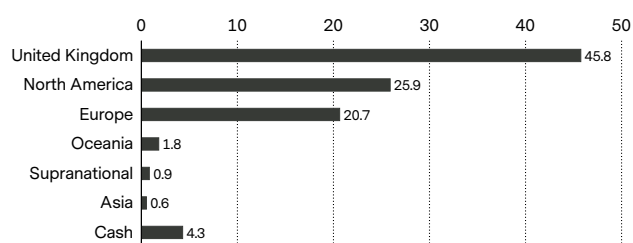


| | 1 m | year to date | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 3 yrs p.a. | 5 yrs p.a. | since inception |
|------|-----|--------------|------|------|------|------|------|------|------|------|------|------|------------|------------|-----------------|
| Fund | 0.4 | 1.1 | -5.0 | 0.3 | 2.3 | 4.8 | -1.0 | 5.1 | 4.9 | -0.1 | n.a. | n.a. | 0.0 | 0.5 | 12.5 |

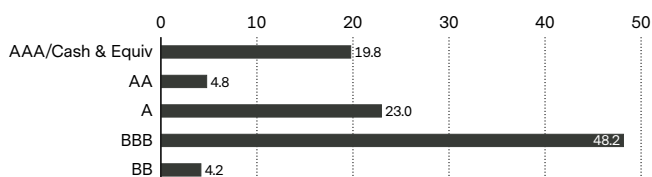
Past Performance is not a guide to current or future performance. Performance data do not take account of the entry / exit commissions and costs incurred, and reflect gross distributions reinvested. Performance of a fund can rise or fall, i.e. as a result of currency fluctuations. The investment policy was changed as at 01.09.2021.

Major positions (%)

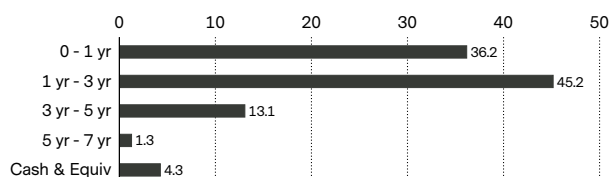
| | |
|-----------------------------------|-------------|
| TREASURY BILL 0 10/08/2023 | 7.5 |
| TREASURY BILL 0 01/08/2023 | 3.3 |
| PENSION INS 6.5 03/07/2024 | 1.9 |
| SIEMENS FINAN 0.875 05/06/2023 | 1.7 |
| BARCLAYS PLC 3.75 22/11/2030 | 1.5 |
| NATWEST GROUP 3.622 14/08/2030 | 1.5 |
| VOLKSWAGEN FIN 1.125 18/09/2023 | 1.5 |
| LEGAL & GENL GRP 5.375 27/10/2045 | 1.4 |
| SCOTTISH WIDOWS 5.5 16/06/2023 | 1.4 |
| RL FINCE BNDS 6.125 30/11/2043 | 1.3 |
| Total | 23.0 |

Geographical breakdown (%)

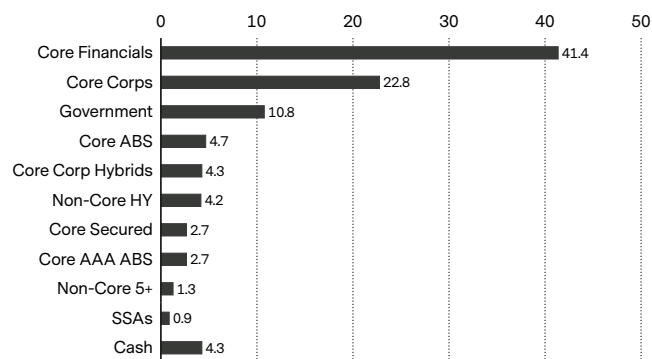
Calculated on a direct exposure basis.

Credit ratings breakdown (%)

For non-rated sovereign bonds, the issuing sovereign's rating will be applied.

Maturity breakdown (%)

Calculated as the expected maturity date or call date or as the weighted average life for amortising Asset Backed Securities.

Sector breakdown (%)**Risks**

- Limited participation in the potential of single securities.
- Success of single security analysis and active management cannot be guaranteed.
- It cannot be guaranteed that the investor will recover the capital invested.
- Derivatives entail risks relating to liquidity, leverage and credit fluctuations, illiquidity and volatility.
- Interest rates may vary, bonds suffer price declines on rising interest rates.
- High-yield bonds (non-investment-grade bonds/junk bonds) may be subject to greater market fluctuations, risk of default or loss of income and principal than higher-rated bonds.
- The Sub-Fund's investments may be subject to sustainability risks. The sustainability risks that the Sub-Fund may be subject to are likely to have an immaterial impact on the value of the Sub-Funds' investments in the medium to long term due to the mitigating nature of the Sub-Fund's ESG approach.
- The Sub-Funds' performance may be positively or negatively affected by its sustainability strategy.
- The ability to meet social or environmental objectives might be affected by incomplete or inaccurate data from third-party providers.
- Information on how environmental and social objectives are achieved and how sustainability risks are managed in this Sub-Fund may be obtained from www.twentyfouram.com/sustainability and Vontobel.com/SFDR.

Glossary

Collateralised debt obligation (CDO) is a structured finance product backed by a pool of debt assets, such as mortgage-backed securities (MBS), asset-backed securities (ABS), collateralized bond obligations (CBOs) and collateralized loan obligations (CLOs). Typically these structures pool cash flows from the underlying assets and then pay investors based on their seniority, so that investors in more senior tranches of the CDO receive their payments first, while investors in the most junior tranches suffer any losses first. **Collateralised loan obligation (CLO)** is a type of CDO which involves pools of corporate loans, refinanced in a securitized structure. **Credit default swap (CDS)** is a derivative financial instruments which allows an investor to offset default risks. Similar to an insurance contract, if an investor buys a CDS on a security, the investor is reimbursed by the counterparty if the security defaults within a certain period. **Credit-spread duration**, or credit duration, or spread duration, is a measure of the sensitivity of the price of a bond to a change in credit spreads. **Derivative** is a financial security whose price is determined based on an underlying benchmark or asset such as stocks, bonds, commodities, currencies, interest rates, or market indexes. Examples are futures, options and credit default swaps. **Distribution**, or dividend, is a payment by a fund to its investors who hold distributing share classes (compartments with payouts). The distribution (or dividend) yield is calculated as all payouts over the last 12 months divided by the price per share (typically, the latest NAV), and may be affected by variable payments seasonality. **Distribution policy** of a fund defines the dividend distribution for its share classes to investors. Accumulating share classes reinvest the income received from the fund holdings back into the fund and do not distribute to shareholders. Distributing shares typically make cash payments to shareholders on a periodic basis. **Duration**, or Macaulay Duration, indicates the number of years an investor would need to maintain a position in the bond until the present value of the bond's cash flows equals the amount paid for the bond. The longer the duration, the more a bond's price will be affected by changes in interest rates. Duration may also be

used to compare the risk of debt securities with different maturities and yields. **Environmental, social and governance (ESG)** criteria are a set of metrics or ratings that are used to screen potential investments for issues that might affect the financial performance and/or have a material impact on environment and society. ESG metrics reported in this document are for informative purposes and may not be part of the fund's investment process. **Forward**, or forward contract, is an agreement between two parties to buy or sell an asset at a specified price on a future date, and is often used for hedging purposes or commodities trading, where a forward contract can be customized to an amount, delivery date, and commodity type (e.g. food, metals, oil or natural gas). **Future**, or futures contract, is a legal agreement to buy or sell a particular commodity asset, currency or security at a predetermined price at a future point in time. They are standardized contracts in terms of quality and quantity which facilitates trading on a futures exchange. **ISIN** (International Securities Identification Number) is a unique code that identifies a specific financial security. It is assigned by a country's respective national numbering agency (NNA). **Management fee** is a fee which covers the costs charged to a fund relating to portfolio management services and, if applicable, to distribution services. **Maturity** indicates the length of time until the initial investment amount of a bond is due to be repaid. "Average maturity" is calculated on a bond portfolio by weighting each bond's residual maturity by its relative size. **Modified duration** is an adjusted version of Macaulay Duration and measures the percentage change in a bond price as a result of a change in yield. It is used to measure the sensitivity of a bond's cash flows to a change in interest rates and is more commonly used than Macaulay Duration. **Net Asset Value (NAV) / share** also known as the share price of a fund, represents the value per share of the fund. It is calculated by dividing the fund's assets less its liabilities by the number of shares outstanding. For most funds it is calculated and reported daily. **Ongoing charges** expresses the sum of the costs of running a fund on an ongoing basis, like the management fee and various legal and operating costs. It is calculated retroactively over a period of 12 months as a percentage of the fund assets. If the available data is insufficient, for example, for newly launched funds, ongoing charges may be estimated using data from funds with similar characteristics. **Option** is a derivative, financial instrument whose price derives from the value of underlying securities, like stocks. Call/put options give buyers the right (but not the obligation) to buy/sell an underlying asset at an agreed price and date. **Rating**, or credit rating, assesses a bond issuer's ability to repay on time all its debt (interest and principal). High ratings, like AAA or Aaa, indicate low risk (i.e., low probability of default), while ratings such as BBB- or Baa3 indicate a higher risk. **Share class** is a compartment of a fund with a distinct client type, distribution policy, fee structure, currency, minimum investment, or other characteristics. The characteristics of each share class are described in the fund prospectus. **SRRI** is a value based on a sub fund's volatility, providing a gauge of the overall risk and reward profile of the sub fund. **VALOR** is an identification number issued by SIX Financial Information and assigned to financial instruments in Switzerland. **Volatility** measures the fluctuation of a fund's performance over a certain period. It is most commonly expressed using the annualized standard deviation. The higher the volatility, the riskier a fund tends to be. **Yield to worst (YTW)** represents the lowest potential annual return of a bond that does not default, for instance, if a bond may be called by the issuer prior to maturity.

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