

Asset Management / Fund Factsheet / 29.12.2023

## Vontobel Fund - Euro Corporate Bond A, EUR

Morningstar Rating as of 30.11.2023 ★★★

Marketing document for retail investors in: AT, CH, DE, ES, FI, IT, LI, LU

### Investment objective

This bond fund aims to generate steady income and above-average investment returns over a full credit cycle, while promoting environmental or social characteristics and respecting risk diversification.

### Key features

The fund invests across developed markets and their sectors mainly in corporate bonds in euros, with different maturities and seniorities, of issuers of good quality (investment grade) with various ratings, focusing on the mid-yield segment (ratings A+ to BBB-). The fund seeks to promote environmental or social characteristics.

### Approach

The investment team follows a dedicated process, based on fundamental credit, relative-value, and technical analyses. Top-down assessment of the economy and sectors is followed by bottom-up company analysis, which also considers the 'S' of ESG (Environmental, Social, Governance) standards, specifically empowerment. By means of a filter the team selects paper whose credit spreads offer adequate compensation for the risks involved, while favoring issuers with strong or improving empowerment indicators. Striving to exploit more inefficiencies and diversify broadly, the team combines various issuers and securities in the fund.

### Risk and reward profile



Portfolio management	Mondher Bettaieb / Claudia Fontanive-Wyss
Fund domicile, legal structure, SFDR	Luxembourg, UCITS, Art. 8
Currency of the fund / shareclass	EUR / EUR
Launch date fund / shareclass	27.09.2002 / 27.09.2002
Fund size	EUR 1,625.21 mio
Net asset value (NAV) / share	EUR 96.90
Ref. index	ICE BofAML A-BBB Euro Corporate Index
ISIN / WKN / VALOR	LU0153585566 / 724773 / 1473224
Management fee	1.10%
Ongoing charges (incl. Mgmt. fee) as of 31.08.2023	1.35%
Maximum entry / switching / exit fee <sup>1)</sup>	5.00% / 1.00% / 0.30%
Swing pricing	Yes
Distribution policy	distribution, annually
Last distribution on 27.11.2023	EUR 1.52
Distribution yield	1.57%

<sup>1)</sup> Refer to fund distributor for actual applicable fees, if any.

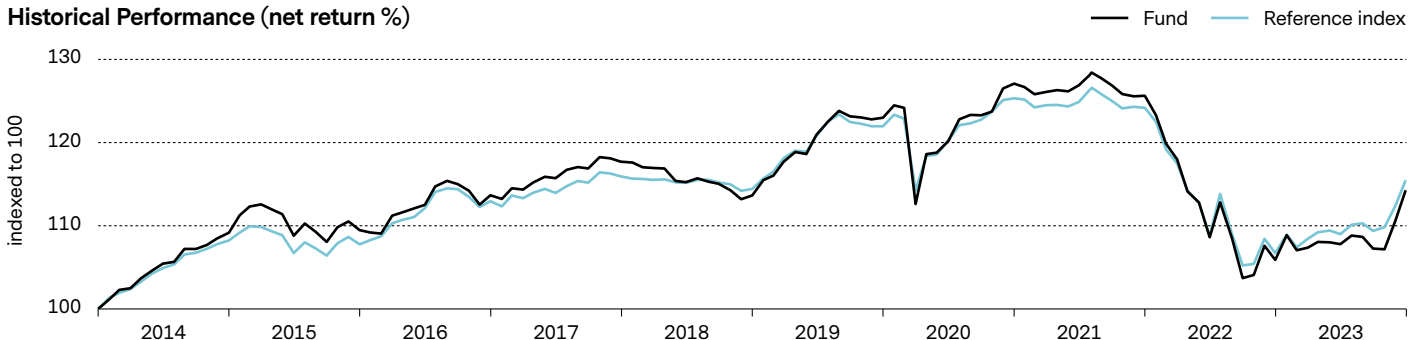
### Portfolio Characteristics

	Fund	Ref. index
Volatility, annualized <sup>2)</sup>	6.80%	6.33%
Information ratio <sup>2)</sup>	negative	
Modified duration (years)	5.01	4.40
Average Rating <sup>3)</sup>	BBB+	A-
Number of issuers	123	673
Yield to maturity	4.52%	3.67%
Yield to worst (YTW)	4.34%	3.59%
Average maturity (years)	5.38	4.86
Active share (country, issuer, ISIN)	28%, 67%, 90%	
Average coupon	3.28%	2.24%

<sup>2)</sup> calculated over 3 years

<sup>3)</sup> The fund may enter into credit derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

### Historical Performance (net return %)



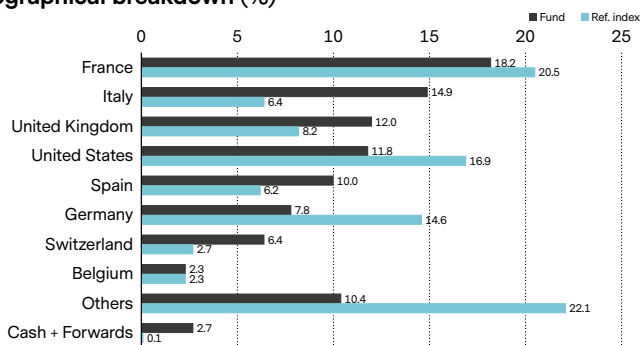
	1 m	year to date	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	3 yrs p.a.	5 yrs p.a.	since inception
Fund	3.3	7.9	-15.7	-1.1	3.3	8.2	-3.5	3.6	3.8	0.3	9.2	4.1	-3.5	0.1	71.1
Ref. index	2.8	8.2	-14.1	-0.9	2.8	6.6	-1.3	2.6	4.8	-0.4	8.2	2.7	-2.7	0.2	95.3

Past performance is not a guide to current or future performance. Performance data does not take account of the entry / exit commissions and costs incurred, and reflects 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 05.07.2023.

**Major issuers (%)**

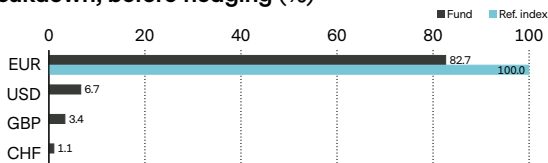
UBS Group AG	2.5
UniCredit SpA	2.4
CaixaBank SA	2.3
Intesa Sanpaolo SpA	2.0
Heathrow Funding Ltd	1.9
Mediobanca Banca di Credito Finanziario SpA	1.9
NatWest Group PLC	1.7
Spain Government Bond	1.7
Lloyds Banking Group PLC	1.6
Banque Federative du Credit Mutuel SA	1.6
<b>Total</b>	<b>19.6</b>

**Geographical breakdown (%)**

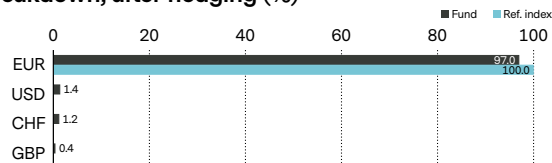


The fund may enter into interest rate and credit derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

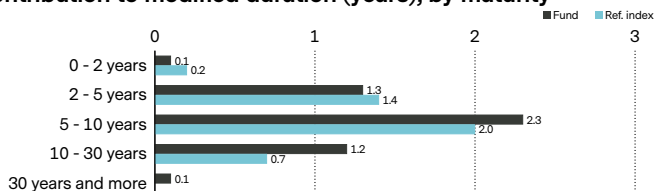
**Currency breakdown, before hedging (%)**



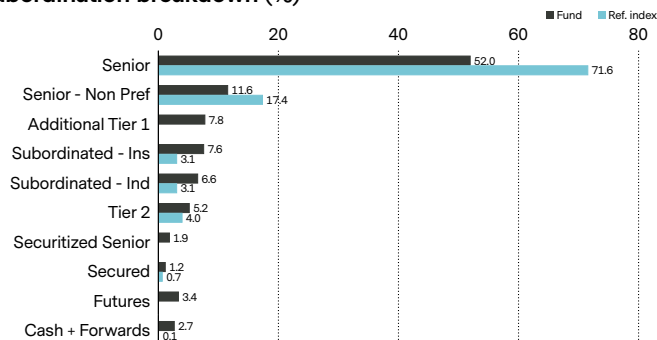
**Currency breakdown, after hedging (%)**



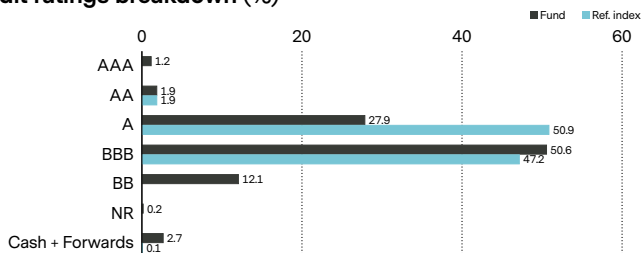
**Contribution to modified duration (years), by maturity**



**Subordination breakdown (%)**

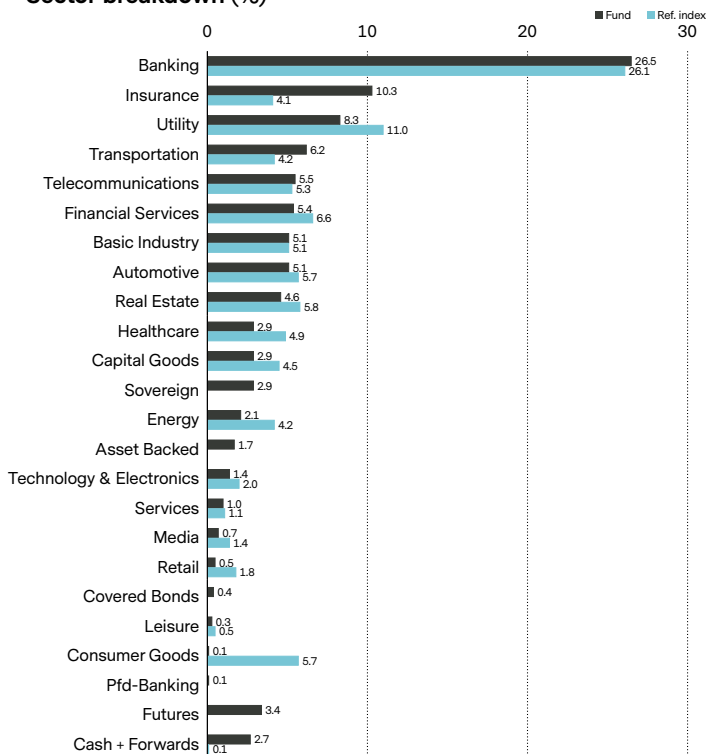


**Credit ratings breakdown (%)**



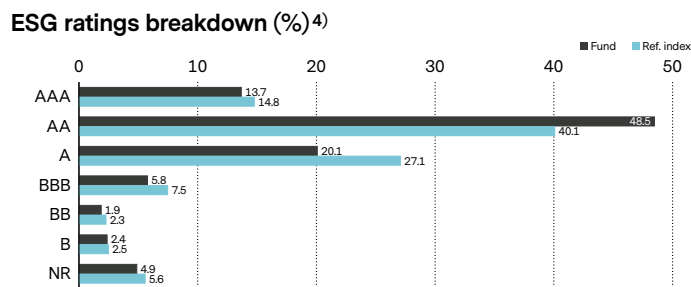
The fund may enter into credit derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

**Sector breakdown (%)**



ESG profile <sup>4)</sup>	Fund	Ref. index
ESG rating	AA	AA
ESG score	7.6	7.3
Environmental score	7.0	6.7
Social score	5.9	5.0
Governance score	5.9	5.8
CO <sub>2</sub> Intensity, wt. avg (t CO <sub>2</sub> /\$M Sales)	118.8	111.8


<sup>4)</sup> Details on MSCI ESG methodology: [vontobel.com/esg-valuation](https://www.vontobel.com/esg-valuation). This fund does not have a designated reference ESG benchmark, but applies a conventional benchmark whose construction does not take into account ESG criteria.




### ESG characteristics of the fund

ESG integration	✓
Exclusion economic activities	✓
Active ownership	✓


### Exclusion of Economic Activities<sup>5)</sup>




Adult entertainment




Norm based exclusions  
Sovereign level exclusions




Coal



Gambling



Tobacco



Conventional weapons  
Unconvent. / contro. weapons

<sup>5)</sup> Thresholds may apply. Please see [vontobel.com/sfdr](https://www.vontobel.com/sfdr) and each fund's website for further details.

### Risks

- Limited participation in the potential of single securities.
- Investments in foreign currencies are subject to currency fluctuations.
- 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.
- Mid-yield bonds may be more speculative investments than bonds with a higher rating due to higher credit risk, higher price fluctuations, a higher risk of loss of capital deployed.
- 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 [Vontobel.com/SFDR](https://www.vontobel.com/SFDR).

### Glossary

**Active Share** (country, issuer, ISIN) measures the deviation of a portfolio (on country, issuer and ISIN basis) from its reference index, and is used to indicate how actively portfolios are managed. **Coupon** is a payment to holders of bonds on a pre-defined basis, normally with a specific periodicity and percentage. Average Coupon for a bond fund is calculated as capital-weighted average of the coupon rates of all bonds in a portfolio. **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. **ESG rating** is provided by MSCI and aims to measure a company's management of financially relevant ESG risks and opportunities. They use a rules-based methodology to identify industry leaders and laggards according to their exposure to ESG risks and how well they manage those risks relative to peers. The ESG rating of MSCI ranges from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC). **ESG score** is provided by MSCI and is a measurement of a company's level of sustainability. The calculation is based on many factors and is measured on a scale range, e.g. from 0 (very poor) to 10 (very good). **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. **Index** is a portfolio that holds a broad range of securities, based on pre-defined rules. Indexes such as the FTSE 100 or DAX 30 are used to represent the performance of particular markets and thus act as a reference point for performance measurement of other portfolios. An index used as reference for performance comparisons, is called a "reference index". **Information ratio** is a measurement of portfolio returns in excess of the reference index per unit of return volatility. It is used to measure a portfolio manager's ability to generate excess returns relative to a reference index. **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. **Number of positions** shows the number of single investments/securities in the portfolio of the fund. **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. **Subordination**, or bond subordination, expresses the priority for repayment of a bond in the event of default. A subordinated bond is more junior than other, more senior bonds with respect to claims on assets or earnings. **Swing pricing** is an industry standard mechanism to protect long term investors in a fund against trading costs occurring when investors enter or exit the fund. This is achieved by adjusting the NAV upwards or downwards respectively so that the additional trading costs caused by subscriptions or redemptions are borne by investors trading in the fund. Full details of the Swing Pricing mechanism are given in the fund prospectus. **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. **Weighted Average Carbon Intensity (WACI)** reports the carbon emissions of companies held in a portfolio relative to the revenues they generate, excluding emissions from supply chains and products. **WKN** (or Wertpapierkennnummer) is an identification code of securities registered in Germany, issued by its Institute for Issuance and Administration of Securities. **Yield to maturity (YTM)** measures the return of the fund if all the bonds in the portfolio of the fund were held to maturity. The ratio is expressed as an annual return in percent. **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.

## Important information

This marketing document was produced by one or more companies of the Vontobel Group (collectively "Vontobel") for Wholesale/Retail clients for distribution in AT, CH, DE, ES, FI, IT, LI, LU.

This document is for information purposes only and does not constitute an offer, solicitation or recommendation to buy or sell shares of the fund/fund units or any investment instruments, to effect any transactions or to conclude any legal act of any kind whatsoever. Subscriptions of shares of the fund should in any event be made solely on the basis of the fund's current sales prospectus (the "Sales Prospectus"), the Key (Investor) Information Document ("K(I)ID"), its articles of incorporation and the most recent annual and semi-annual report of the fund and after seeking the advice of an independent finance, legal, accounting and tax specialist. Furthermore and before entering into an agreement in respect of an investment referred to in this document, you should consult your own professional and/or investment advisers as to its suitability for you.

Neither the fund, nor the Management Company nor the Investment Manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of an assessment of ESG research and the correct execution of the ESG strategy. As investors may have different views regarding what constitutes sustainable investing or a sustainable investment, the fund may invest in issuers that do not reflect the beliefs and values of any specific investor.

This fund does not have a designated reference ESG benchmark, but applies a conventional benchmark whose construction does not take into account ESG criteria.

Past performance is not a reliable indicator of current or future performance. Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.

Interested parties may obtain the above-mentioned documents free of charge from the authorised distribution agencies and from the offices of the fund at 11-13 Boulevard de la Foire, L-1528 Luxembourg. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key (investor) information documents ("K(I)ID"). These documents may also be downloaded from our website at [vontobel.com/am](http://vontobel.com/am). A summary of investors rights is available in English under the following link: [www.vontobel.com/vamsa-investor-information](http://www.vontobel.com/vamsa-investor-information). The representative in **Switzerland**: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in **Germany**: B. Metzler seel. Sohn & Co. KGaA, Untermainanlage 1, 60311 Frankfurt/Main, the information agent in **Liechtenstein**: LLB Fund Services AG, Aulestrasse 80, FL-9490 Vaduz, the facilities agent in **Austria**: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna. The K(I)ID is available in **Finnish**. Refer for more information regarding subscriptions in **Italy** to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 2, 20123 Milano, telefono: 0263673444, e-mail [clientrelation.it@vontobel.com](mailto:clientrelation.it@vontobel.com). In **Spain**, funds authorized for distribution are recorded in the register of foreign collective investment companies maintained by the Spanish CNMV (under number 280). The K(I)ID can be obtained in Spanish from Vontobel Asset Management S.A., Sucursal en España, Paseo de la Castellana, 91, Planta 5, 28046 Madrid.

The fund and its sub-funds are not available to retail investors in **Singapore**. Selected sub-funds of the fund are currently recognized as restricted schemes by the Monetary Authority of Singapore. These sub-funds may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore. This document was approved by Vontobel Pte. Ltd., which is licensed with the Monetary Authority of Singapore as a Capital Markets Services Licensee and Exempt Financial Adviser and has its registered office at 8 Marina Boulevard, Marina Bay Financial Centre (Tower 1), Level 04-03, Singapore 018981. This advertisement has not been reviewed by the Monetary Authority of Singapore.

The fund is not authorized by the Securities and Futures Commission in **Hong Kong**. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution and if you are in doubt about any of the contents of this document, you should obtain independent professional advice. This document was approved by Vontobel (Hong Kong) Ltd., which is licensed by the Securities and Futures Commission of Hong Kong and provides services only to professional investors as defined under the Securities and Futures Ordinance (Cap. 571) of Hong Kong and has its registered office at 1901 Gloucester Tower, The Landmark 15 Queen's Road Central, Hong Kong. This advertisement has not been reviewed by the Securities and Futures Commission.

All data contained herein, including fund information, is obtained from or calculated by Vontobel. All data is as at the date of the document unless stated otherwise. Although Vontobel believes that the information provided in this document is based on reliable sources, it cannot assume responsibility for the quality, correctness, timeliness or completeness of the information contained in this document. Except as permitted under applicable copyright laws, none of this information may be reproduced, adapted, uploaded to a third party, linked to, framed, performed in public, distributed or transmitted in any form by any process without the specific written consent of Vontobel. To the maximum extent permitted by law, Vontobel will not be liable in any way for any loss or damage suffered by you through use or access to this information, or Vontobel's failure to provide this information. Our liability for negligence, breach of contract or contravention of any law as a result of our failure to provide this information or any part of it, or for any problems with this information, which cannot be lawfully excluded, is limited, at our option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you. Neither this document nor any copy of it may be distributed in any jurisdiction where its distribution may be restricted by law. Persons who receive this document should make themselves aware of and adhere to any such restrictions. In particular, this document must not be distributed or handed over to US persons and must not be distributed in the USA.

ANY INDEX REFERRED TO HEREIN IS THE INTELLECTUAL PROPERTY (INCLUDING REGISTERED TRADEMARKS) OF THE APPLICABLE LICENSOR. ANY PRODUCT BASED ON AN INDEX IS IN NO WAY SPONSORED, ENDORSED, SOLD OR PROMOTED BY THE APPLICABLE LICENSOR AND IT SHALL NOT HAVE ANY LIABILITY WITH RESPECT THERETO. Refer to [vontobel.com/terms-of-licenses](http://vontobel.com/terms-of-licenses) for more details.

Although Vontobel information providers, including without limitation, MSCI ESG Research LLC and its affiliates (the "ESG Parties"), obtain information (the "Information") from sources they consider reliable, none of the ESG Parties warrants or guarantees the originality, accuracy and/or completeness, of any data herein and expressly disclaim all express or implied warranties, including those of merchantability and fitness for a particular purpose. The Information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or

indices. Further, none of the Information can in and of itself be used to determine which securities to buy or sell or when to buy or sell them. None of the ESG Parties shall have any liability for any errors or omissions in connection with any data herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

© 2023 Morningstar. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (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 for future results.

Vontobel Asset Management S.A.  
18, rue Erasme, L-1468 Luxembourg  
Luxembourg

[luxembourg@vontobel.com](mailto:luxembourg@vontobel.com)  
[www.vontobel.com/am](http://www.vontobel.com/am)