

Asset Management / Fund Factsheet / 31.08.2021

Vontobel Fund - EURO Corporate Bond A, EUR

Morningstar Rating as of 31.07.2021 ★★★★★

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 achieve above-average investment returns over a full credit cycle, while respecting risk diversification.

Key features

The fund invests mainly in developed-market corporate bonds of issuers of good quality (investment grade) denominated in euros. These bonds have different maturities and seniorities. Their issuers are from different industries and have various credit ratings. The focus is on the rating segment in which credit spreads compensate adequately for the risks involved, namely the mid-yield segment (ratings A+ to BBB-). The fund uses derivative financial instruments, mainly for hedging purposes.

Approach

The seasoned investment specialist team applies a dedicated credit-selection style and takes investment decisions based on fundamental credit, relative-value, and technical analyses. Top-down assessment of both the economy and various industries is followed by bottom-up company analysis. Through a filtering process, the team identifies industries and investable corporate bonds whose credit spreads compensate adequately for the risks involved. For efficient diversification, the team strives to hold a variety of issuers and instruments with a view to exploit inefficiencies

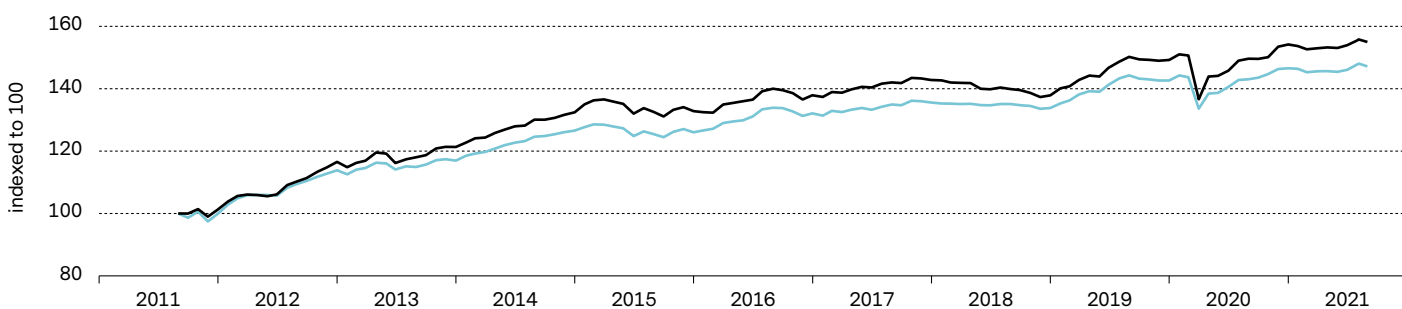
| | |
|--|---|
| Portfolio management | Mondher Bettaieb / Claudia Fontanive-Wyss |
| Fund domicile, legal structure | Luxembourg, UCITS |
| Currency of the fund / shareclass | EUR / EUR |
| Launch date fund / shareclass | 27.09.2002 / 27.09.2002 |
| Fund size | EUR 2,661.65 mio |
| Net asset value (NAV) / share | EUR 112.92 |
| 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 28.02.2021 | 1.34% |
| Maximum entry / switching / exit fee ¹⁾ | 5.00% / 1.0% / 0.30% |
| Swinging Single Price | Yes |
| Distribution policy | distribution, annually |
| Last distribution on 25.11.2020 | EUR 1.40 |
| Distribution yield | 1.24% |

¹⁾ Refer to fund distributor for actual applicable fees, if any.

| Portfolio Characteristics | Fund | Ref. index |
|--------------------------------------|---------------|------------|
| Volatility, annualized ²⁾ | 7.05% | n.a. |
| Information ratio ²⁾ | 0.29 | |
| Modified duration (years) | 5.34 | 5.35 |
| Average Rating | BBB | BBB+ |
| Yield to maturity | 1.41% | 0.35% |
| Yield to worst (YTW) | 0.96% | 0.22% |
| Average maturity (years) | 6.15 | 5.80 |
| Number of issuers | 125 | 711 |
| Active share (country, issuer, ISIN) | 31%, 68%, 92% | |
| Average coupon | 2.81% | 1.55% |

²⁾ calculated over 3 years

Historical Performance (%) — Fund — Reference index



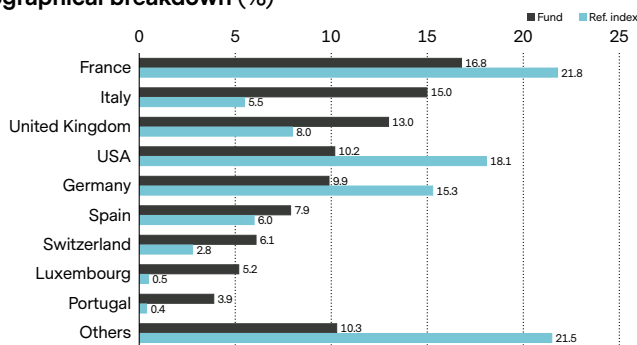
| | 09.20 - 08.21 | 09.19 - 08.20 | 09.18 - 08.19 | 09.17 - 08.18 | 09.16 - 08.17 | 1 m | year to date | 2020 | 2019 | 2018 | 3 yrs p.a. | 5 yrs p.a. | since inception |
|------------|------------------|------------------|------------------|------------------|------------------|------|-----------------|------|------|------|---------------|---------------|--------------------|
| Fund | 3.6 | -0.4 | 7.4 | -1.5 | 1.4 | -0.3 | 0.5 | 3.3 | 8.2 | -3.5 | 3.5 | 2.1 | 91.3 |
| Ref. index | 2.9 | -0.9 | 6.8 | 0.1 | 0.8 | -0.4 | 0.4 | 2.8 | 6.6 | -1.3 | 2.9 | 1.9 | 112.9 |

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.a. as a result of currency fluctuations.

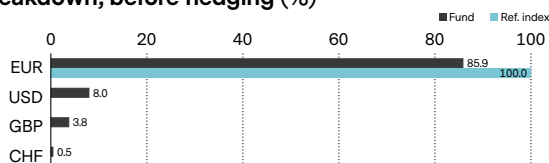
Major issuers (%)

| | |
|------------------------|-------------|
| UNICREDIT SPA | 2.5 |
| CAIXABANK SA | 2.2 |
| ENEL SPA | 2.1 |
| VOLKSWAGEN FIN SERV AG | 1.9 |
| INTESA SANPAOLO SPA | 1.8 |
| CREDIT AGRICOLE LONDON | 1.8 |
| HEATHROW FINANCE PLC | 1.8 |
| TELECOM ITALIA FIN SA | 1.6 |
| BARCLAYS BANK PLC | 1.6 |
| ALLIANZ SE | 1.5 |
| Total | 18.8 |

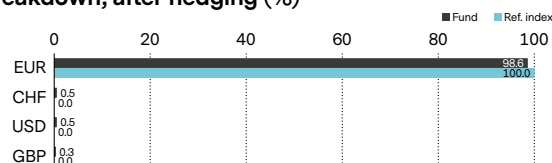
Geographical breakdown (%)



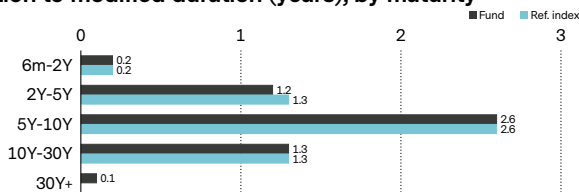
Currency breakdown, before hedging (%)



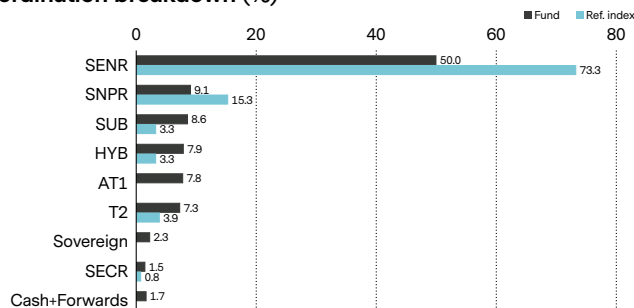
Currency breakdown, after hedging (%)



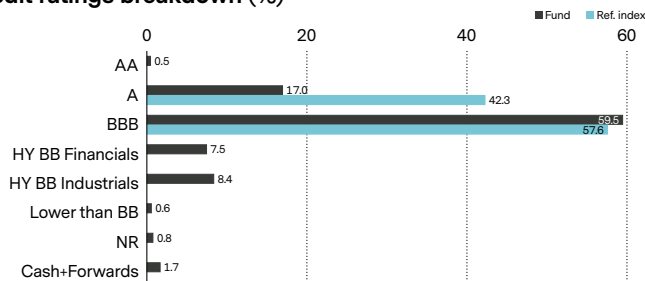
Contribution to modified duration (years), by maturity



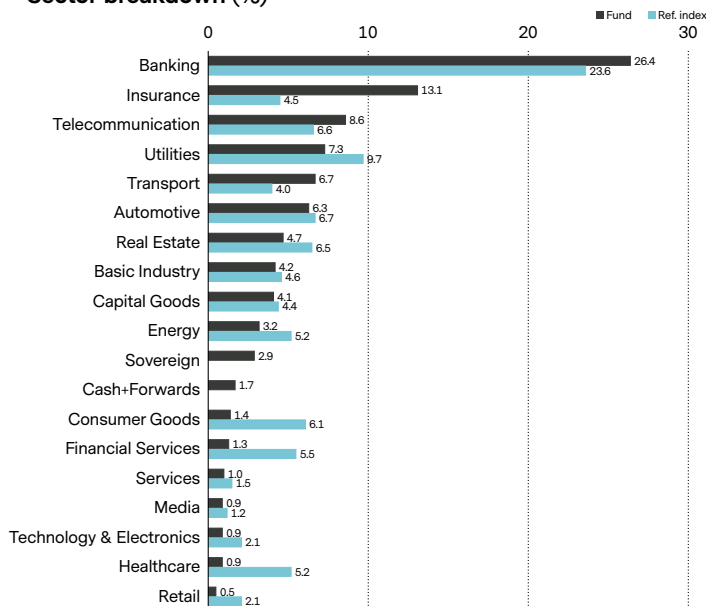
Subordination breakdown (%)



Credit ratings breakdown (%)



Sector breakdown (%)



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. Information on how sustainability risks are managed in this Sub-Fund may be obtained from Vontobel.com/SFDR.

Glossary

Benchmark: An index that is used to measure the performance of an investment fund with the purpose of tracking the return of such index or of defining the asset allocation of a portfolio or of computing the performance fees. **Beta:** A measure of sensitivity - given as the average percentage change in the price of a fund when the market (benchmark) rises or falls by 1%. A value over (under) 1 means that on average the fund exhibits more (less) volatility than the benchmark. The figure is calculated on a 3-yearly basis. **Duration (Modified Duration):** Duration is an indication of how much a bond's price could be affected by a change in interest rates. **Effective Duration:** Is a measure of the potential impact on a bond or portfolio price of a 1% change in interest rates across all maturities. **Hedging:** Where a Class of Shares is described as hedged ("Hedged Share Class"), the intention is to hedge the Net Asset Value in the Reference Currency of the Sub/Fund into the Currency of the Hedged Share Class. **Index:** Is a characteristic portfolio considered representative of a particular market or a portion of it, and serves as a performance measurement for such a market. An index, or combination thereof, used as reference for performance comparison, is then called "reference index". **Information ratio:** The information ratio (IR) is a ratio of portfolio returns above the returns of a benchmark to the volatility of those returns. **Jensen's Alpha:** Yield indicator. If the average return on a security or portfolio is larger than its expected return, the alpha is positive. If the average return is smaller than expected, the alpha is negative. **Management Fee:** Is a fee which covers all costs relating to possible services rendered in connection with investment management and distribution. Please refer to the fund's prospectus for a complete description. **NAV:** The Net Asset Value (NAV) represents the value per share. It is calculated by dividing the total net asset value of the fund (the value of the fund's assets less its liabilities) by the number of shares outstanding. **Ongoing charges:** Expresses the sum of the costs of running a fund on an ongoing basis, like 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. When insufficient data is available, Ongoing Charges may be estimated using data of funds with similar characteristics. **Performance Fee:** The payment made to an Investment Manager if certain performance levels are achieved (often over and above any levels set out in the investment objective) within a set time period. Please refer to the fund's prospectus for a complete description. **Sharpe Ratio:** The Sharpe ratio indicates the additional reward per unit of risk compared to a risk-free investment. It reveals how much performance was achieved at what level of risk. **Tracking error:** Measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error. **Volatility:** Volatility (or risk or standard deviation) is an indicator of the range of fluctuation of the annualized performance of a fund over a certain period. **Weighted Average Coupon (WAC):** The coupon is the annual interest rate paid by a bond issuer on the face value of the bond. **Yield to Maturity:** The rate of return anticipated on a bond if it is held until the maturity date. **Yield to Worst:** The lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions are used by the issuer.

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