Vontobel

Fund Factsheet / 31.10.2024

Vontobel Fund - Sustainable Swiss Franc Bond I, CHF

Marketing document for institutional investors in: AT, CH, DE, IT, LI, LU, SG (professional investors)

Investment objective

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

Key features

The fund invests worldwide mainly in bonds in Swiss francs with various maturities of diverse issuers of good quality (investment grade). It may have limited exposure to such instruments and bonds in other currencies or from issuers of lesser quality. The fund seeks to promote environmental or social characteristics.

Approach

The investment team takes high-conviction decisions based on in-depth macroeconomic, relative-value and issuer analyses. Using a proprietary model it excludes issuers from the investment universe that fail to meet specific ESG criteria (Environmental, Social, Governance). The team continuously evaluates inefficiencies across global markets to identify the most remunerating opportunities across interest rates, credit spreads, and currencies. With the focus on risk/reward optimization, the team actively adapts the portfolio striving to participate in favorable markets and keep the fund's vulnerability low in unfavorable markets.

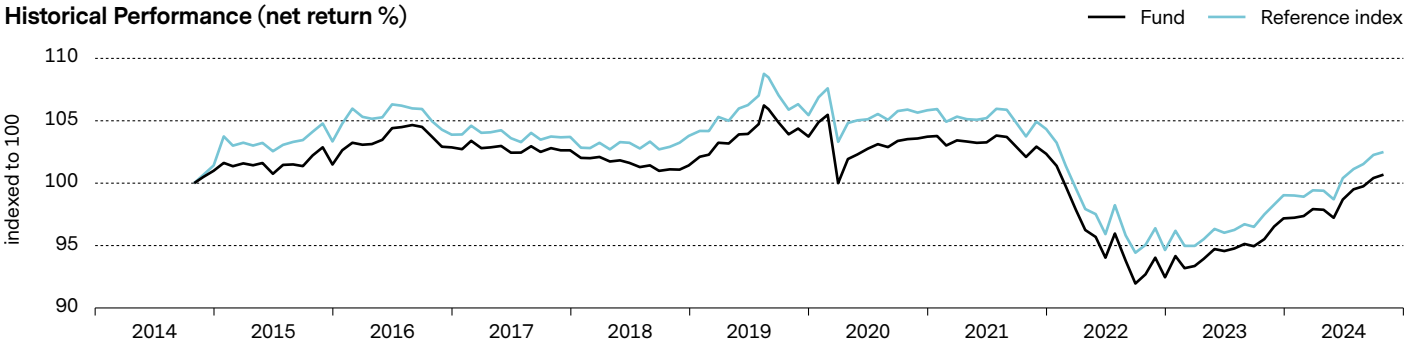
Portfolio management	Manfred Büchler
Fund domicile, legal structure, SFDR	Luxembourg, UCITS, Art. 8
Currency of the fund / shareclass	CHF / CHF
Launch date fund / shareclass	25.10.1991 / 12.06.2008
Fund size	CHF 137.66 mio
Net asset value (NAV) / share	CHF 132.70
Ref. index	SBI® Foreign Rating AAA Total Return
ISIN / WKN / VALOR	LU0278084768 / A0MLTK / 2870530
Management fee	0.16%
Ongoing charges (incl. Mgmt. fee) as of 29.02.2024	0.33%
Maximum entry / switching / exit fee [1]	5.00% / 1.00% / 0.30%
Swing pricing	Yes
Distribution policy	reinvesting

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

Portfolio Characteristics	Fund	Ref. index
Volatility, annualized [2]	3.87%	3.98%
Sharpe ratio [2]	negative	
Information ratio [2]	negative	
Jensen's alpha [2]	-0.11	
Beta [2]	0.96	
Effective duration (years)	4.42	4.42
Average Rating [3]	AA-	AAA
Yield to maturity	1.01%	0.72%
Average maturity (years)	4.65	4.66
Average coupon	1.33%	1.42%
Tracking error, ex-post [2]	0.64%	

[2] calculated over 3 years
[3] The fund may enter into credit derivatives, that may impact the risk and return profile of the fund. Such investments are not considered for this metric.

Historical Performance (net return %)



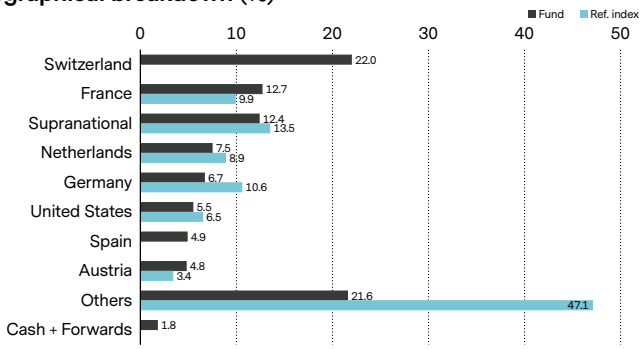
	1 m	year to date	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	3 yrs p.a.	5 yrs p.a.	since inception
Fund	0.3	3.6	5.1	-9.7	-1.3	0.0	2.3	-1.2	-0.2	1.4	0.5	5.3	-0.5	-0.6	32.7
Ref. index	0.2	3.5	4.6	-9.3	-1.4	0.4	1.6	0.1	-0.2	0.5	1.9	5.9	-0.4	-0.6	33.9

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.a. as a result of currency fluctuations.

Major issuers (%)

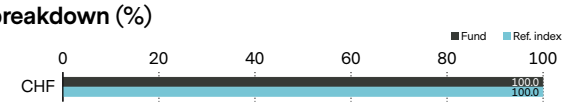
Pfandbriefzentrale der schweizerischen Kantonalbanken AG	8.0
European Investment Bank	3.5
Asian Development Bank	2.4
Banco Santander SA	2.4
Oesterreichische Kontrollbank AG	2.4
BNG Bank NV	2.3
Nederlandse Waterschapsbank NV	2.3
SNCF Reseau	2.3
EBN BV	2.2
Pfandbriefbank schweizerischer Hypothekarinstitute AG	2.0
Total	**29.8**

Geographical breakdown (%)

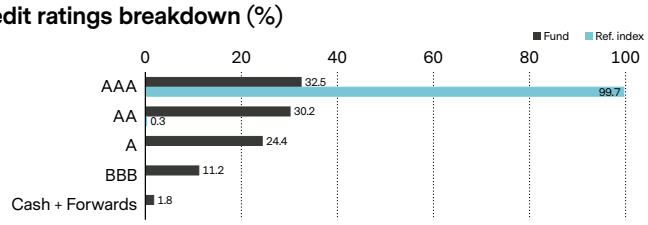


The fund may enter into interest rate and credit derivatives, that may impact the risk and return profile of the fund. Such investments are not shown in the chart.

Currency breakdown (%)

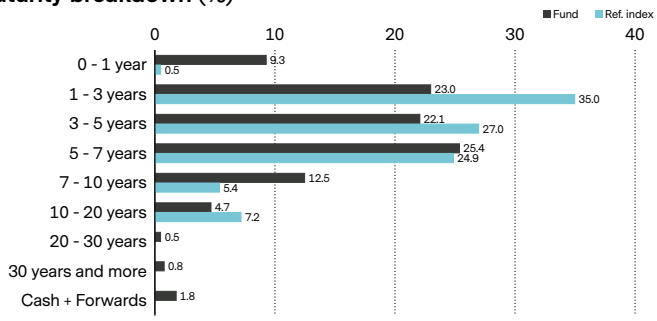


Credit ratings breakdown (%)



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.

Maturity breakdown (%)

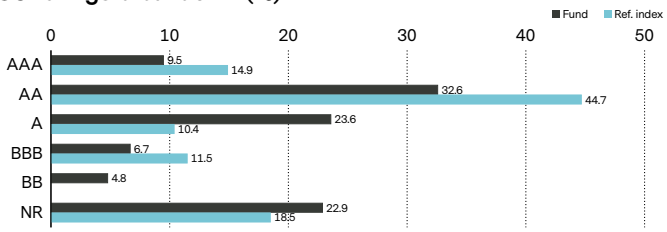


ESG profile [4]

	Fund
ESG rating	AA
ESG ratings coverage	77.1%
ESG score	7.2
Environmental score	6.7
Social score	5.1
Governance score	6.2
CO_2 Intensity, wt. avg (t CO_2/$M Sales)	25.9

[4] Details on MSCI ESG methodology: vontobel.com/esg-valuation.

ESG ratings breakdown (%) [4]



Exclusion of Economic Activities [5]

- Adult entertainment
- Norm based exclusions
- Sovereign level exclusions
- Coal
- Other fossil fuels
- Gambling
- Nuclear energy
- Nuclear weapons
- Tobacco
- Conventional weapons
- Unconvent. / controv. weapons

[5] Thresholds may apply. Please see 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.

- Investment universe may involve investments in countries where the local capital markets may not yet qualify as recognised capital markets.
- 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.

Glossary

Alpha, or Jensen's Alpha, is a measurement of the performance of a fund relative to its reference index. Alpha is positive (or negative) when the relative performance is larger (or smaller) than that of the reference index. **Beta** is a measure of a fund's sensitivity compared to a market (represented by its reference index). A beta of 1.05 means that a fund's prices move 5% more than than the index when the market rises or falls. **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 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 bonds 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. **Sharpe ratio** measures excess return per unit of risk. The ratio is the average return earned in excess of the risk-free rate per unit of volatility. A portfolio with a higher Sharpe ratio is considered superior relative to its peers. **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. **Tracking error** is the standard deviation of the difference between the returns of a fund and its reference index, expressed as a percentage. The more actively a fund is managed, the higher the tracking error. **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 / services. **WKN** (or Wertpapierkennummer) 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.

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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.

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