

LO Funds – Euro BBB-BB Fundamental (EUR) N

Fact Sheet (marketing document)

Fundamental Fixed Income • Fixed Income

31 January 2021

FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	1 December 2010
Currency of Fund	EUR
Currency of share class	EUR
Fund manager	Y. Zufferey, J. Collet, A. Parker, A. Maitra, D. Yung
Net assets (all classes)	EUR 653.58 million
Liquidity (sub./red.)	Daily, 12:00
Swinging Single Pricing	Yes
Min. investment	CHF 1'000'000 or eq
Management fee	0.50%
Distribution fee	0.00%
FROC	0.17%
TER max (30 September 2020)	0.67%

RISK AND REWARD PROFILE

1	2	3	4	5	6	7
Low						High

CODES

	Class A
ISIN	LU0563304459
Bloomberg	LOBBBIA LX
NAV	EUR 15.06

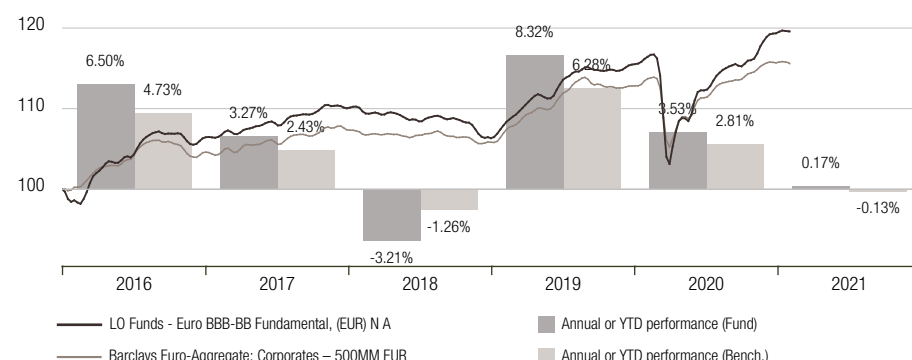
RATINGS

Morningstar Rating	★★★★★
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HIGHLIGHTS

LO Funds - Euro BBB-BB Fundamental is a long only corporate bond fund launched in December 2010. The Fund is actively managed. The Bloomberg Barclays Euro-Aggregate Corporates 500MM is used for performance and internal risk indicators comparison. The Fund invests mainly in EUR denominated investment grade corporate bonds applying a best-in-class approach to Sustainable investing and maintains an Investment Grade (IG) average portfolio rating. It seeks to achieve higher risk-adjusted returns than traditional investment grade indices. The investment approach is two-fold: a disciplined analysis which differs from a traditional market-cap approach by allocating to sectors and companies based on fundamental criteria including extra financial data (i.e. ESG, carbon intensity and controversies); and a forward-looking credit analysis aiming to further mitigate the credit default risk and identify bottom-up opportunities taking into account financial and extra-financial information. Risk management is performed by fund managers at a portfolio level, alongside independent teams who oversee investment risks and operational risks.

NET PERFORMANCE AND ANNUAL PERFORMANCE IN EUR Dec 31, 2015 - Jan 31, 2021



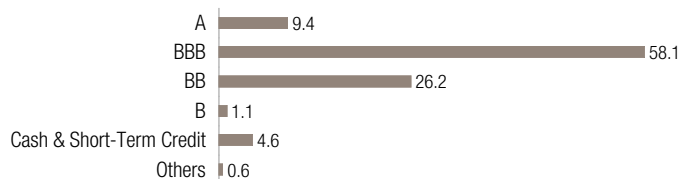
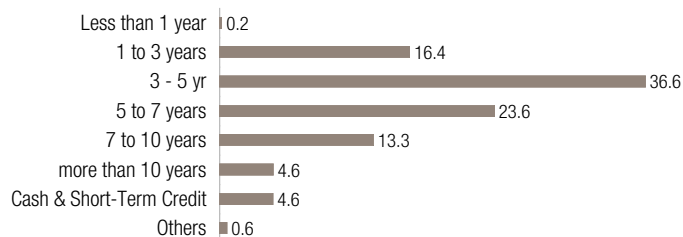
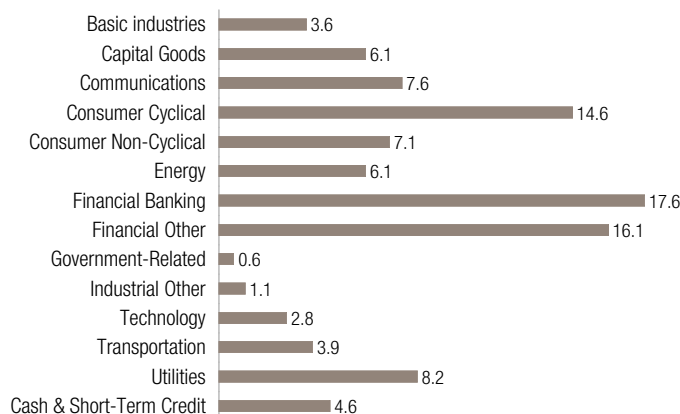
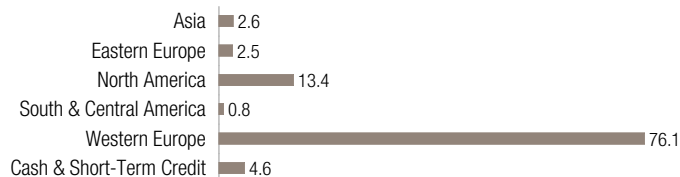
Value of investments is variable and can go down as well as up.

NET PERFORMANCE IN EUR	Cumulative	
	Fund	Bench.
YTD	0.17%	-0.13%
1 month	0.17%	-0.13%
3 months	3.35%	1.06%
1 year	2.70%	1.50%
3 years	8.75%	8.04%
5 years	20.65%	14.90%
Total return (since 01.12.2010)	50.65%	47.05%

	Annualized	
	Fund	Bench.
	-	-
	-	-
	-	-
	-	-
	2.82%	2.60%
	3.81%	2.80%
	4.10%	3.85%

STATISTICS 31.01.2016 - 31.01.2021	Fund	Bench.
Annualised volatility	5.98%	4.29%
Sharpe ratio	0.71	0.75
Max. drawdown	-10.39%	-7.43%
Correlation		0.966
Tracking error		2.15%

	Fund
Average coupon	2.59%
Average rating	BBB/BBB-
Modified duration	5.29
Yield to worst	1.17%
Yield to maturity	1.24%
Number of positions	609
Number of issuers	302
Option adjusted spread (OAS)	187

CREDIT RATINGS (IN %)**MATURITIES (IN %)****SECTORS (IN %)****CORPORATE SECTORS (IN %)****REGIONS (IN %)****MONTHLY RETURNS**

IN %	2016		2017		2018		2019		2020		2021	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January	-0.9	0.6	-0.1	-0.6	-0.0	-0.3	1.5	1.1	1.0	1.2	0.2	-0.1
February	0.1	0.5	1.1	1.2	-0.4	-0.0	1.0	0.7	-0.7	-0.4		
March	2.9	1.4	-0.4	-0.4	-0.3	-0.1	1.3	1.4	-9.7	-6.9		
April	1.3	0.3	0.6	0.5	0.2	0.0	1.2	0.7	5.8	3.8		
May	0.1	0.3	0.4	0.4	-0.9	-0.3	-0.7	-0.2	-0.1	0.2		
June	0.5	1.0	-0.3	-0.6	-0.4	-0.0	2.0	1.6	1.6	1.3		
July	2.2	1.7	0.9	0.8	0.8	0.3	1.3	1.4	1.9	1.5		
August	0.7	0.2	0.4	0.5	-0.1	0.0	0.5	0.6	0.8	0.2		
September	-0.2	-0.1	0.0	-0.2	-0.0	-0.3	-0.4	-0.8	-0.0	0.3		
October	-0.2	-0.7	1.1	1.1	-0.6	-0.2	0.0	-0.2	0.6	0.8		
November	-1.2	-1.1	-0.2	-0.2	-1.3	-0.7	0.0	-0.3	2.5	1.0		
December	0.9	0.6	-0.3	-0.3	-0.3	0.2	0.3	-0.0	0.7	0.2		
Year	6.5	4.7	3.3	2.4	-3.2	-1.3	8.3	6.3	3.5	2.8	0.2	-0.1

PARTICULAR RISKS

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

- Liquidity risk: Where a significant level of investment is made in financial instruments that may under certain circumstances have a relatively low level of liquidity, there is a material risk that the fund will not be able to transact at advantageous times or prices. This could reduce the fund's returns.
- Concentration risk: To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to

loss due to adverse occurrences affecting that country, market, industry, sector or asset class.

- Model Risk: Models may be misspecified, badly implemented or may become inoperative when significant changes take place in the financial markets or in the organization. Such a model could unduly influence portfolio management and expose to losses.

For more details about risk, see appendix B "Risk Factors" of the prospectus.

GLOSSARY

Total Expense Ratio (TER): The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports).

Risk and Reward Profile: This indicator (SRRI) represents the annualized historical volatility of the Sub-Fund over a 5-year period. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

Volatility: A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

Sharpe Ratio: A measure of risk-adjusted performance. The higher the ratio, the better risk-adjusted performance has been.

Drawdown: A draw down is usually quoted as the percentage between the peak and

trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

Correlation: Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

Tracking Error: A measure of how closely an investment portfolio follows the index against which it is benchmarked.

Yield to Maturity: The rate of return anticipated on a bond if it is held until the maturity date.

Modified Duration: This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

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Spain. Supervisory Authority: Comisión Nacional del Mercado de Valores (CNMV). Representative: Allfunds Bank S.A. C/Nuria, 57 Madrid.

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Source of the figures: Unless otherwise stated, figures are prepared by LOIM.

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