LOMBARD ODIER

LOMBARD ODIER DARIER HENTSCH

# KEY INVESTOR INFORMATION

This document provides you with key investor information about this Sub-Fund. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this Sub-Fund. You are advised to read it so you can make an informed decision about whether to invest.

# LO Selection - TargetNetZero (CHF) Credit Bond, NA

(the "Sub-Fund") a Sub-Fund of Lombard Odier Selection (the "SICAV")
Category N, Class accumulated, Currency CHF, ISIN LU1598857636 (the "Class")
This Sub-Fund is managed by Lombard Odier Funds (Europe) S.A., part of Lombard Odier Group

## Objectives and Investment Policy

### Objectives and Investment Policy

The Sub-Fund is actively managed in reference to a benchmark. The SBI Foreign A.BBB® (the "Benchmark") is used for performance comparison and internal risk monitoring purposes only. Bond issuers represented in the portfolio of the Sub-Fund will generally be similar to those of the Benchmark, however the Investment Manager has discretion to select issuers that are not part of the Benchmark universe. The Sub-Fund's holdings are therefore expected to deviate to a limited extent from the Benchmark. Securities in the Benchmark might be excluded from the Sub-Fund's portfolio depending on their involvement in specific activities listed in the SFDR Annex. Each remaining security is weighted according to the market capitalization of its issuer, its LOPTA (Lombard Odier Portfolio Temperature Alignment) and its carbon footprint, in order to increase significantly the exposure of the Sub-Fund's portfolio to issuers which can contribute to a reduction in global CO2 emissions and the eventual achievement of net zero CO2 emissions by 2050. The Sub-Fund's portfolio will aim for a faster rate of reduction in CO2 emissions when compared to the Benchmark. The Sub-Fund's portfolio aims for a significantly reduced carbon footprint when compared to the Benchmark. Ultimately the credit quality and valuation of each holding is controlled to ensure a portfolio with satisfying credit quality and attractive financial profile. While the Investment Manager intends to maintain a low tracking error through controlled style, sector and country biases, the level of active risk associated with the realization of the investment objectives is likely to vary over time and is dependent on regulatory, technological and commercial developments external to the Investment Manager, that could significantly impact the temperature alignment or carbon footprint of securities in the Sub-Fund's portfolio. The Sub-Fund mainly invests worldwide in CHF denominated bonds of corporate issuers. The use of financial derivative instruments is part of the investment strategy. The Sub-Fund is a product which promotes environmental or social characteristics or a combination of those characteristics for the purposes of article 9 of the Sustainable Finance Disclosure Regulation. The Investment Manager adopts a multifaceted approach to the way it analyses the sustainable profile of the Sub-Fund's investments (including sustainability focused screening & scoring, exclusions, restrictions and qualitative and quantitative reviews).

### Information

- Recommendation: This Sub-Fund may not be appropriate for investors who plan to withdraw their money within 3 years.
- Dealing frequency: You may redeem shares in this Sub-Fund on demand on a daily basis.
- The Sub-Fund is denominated in CHF. This Class is in CHF.
- Distribution policy: Income accumulated.

## Risk and Reward Profile

| Lower risk | | | | | | Higher risk |
|---|---|---|---|---|---|---|
| Potentially lower rewards | | | | | | Potentially higher rewards |
| 1 | 2 | **3** | 4 | 5 | 6 | 7 |

### What does it mean?

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.

### Category

The classification of this Sub-Fund in this category is based on the volatility of a proxy of the Sub-Fund's weekly returns over the last 5 years. The Sub-Fund's history being shorter than 5 years, the Sub-Fund's returns have been proxied by benchmark returns for the period which falls short of the 5 year calculation period. A Risk-Reward indicator of 3 is associated with volatility levels of between 2% and 5%, which is typical of investment grade CHF credit bond funds.

### Are there any other 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:
- Credit risk: A significant level of investment in debt securities or risky securities implies that the risk of, or actual, default may have a material impact on performance. The likelihood of this depends on the credit-worthiness of the issuers.
- 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.
- Operational risk and risks related to asset safekeeping: In specific circumstances, there may be a material risk of loss resulting from human error, inadequate or failed internal systems, processes or controls, or from external events.

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

## Charges

| One-off charges taken before or after you invest | |
|---|---|
| **Entry charge** | Up to 5.00% |
| **Exit charge** | 0.00% |
| This is the maximum that might be taken out of your money before it is invested and before the proceeds of your investment are paid out. | |
| **Charges taken from the Class over a year** | |
| **Ongoing charge** | 0.56% |
| **Charges taken from the Class under certain specific conditions** | |
| **Performance fee** | None |

The charges you pay are used to pay the costs of running the Sub-Fund, including the costs of marketing and distributing it.
These charges reduce the potential growth of your investment.
The entry and exit charges shown are maximum figures. In case of a switch between sub-funds, a maximum charge of 0.50% of the value of the shares being switched will apply.
In some cases you might pay less – you can find this out from your financial adviser or distributor.
The entry and exit charges may be increased by a dealing charge of maximum 2% in favor of the Sub-Fund, in order to reduce the effect of portfolio transaction costs.
The ongoing charges figure is based on expenses for the 12-month period ending on the date of this document. This figure may vary from year to year.
For more information about charges, see "Charges and Expenses" in section 10 of the prospectus. The prospectus is available at www.loim.com.

## Past Performances

### Performance Disclaimer

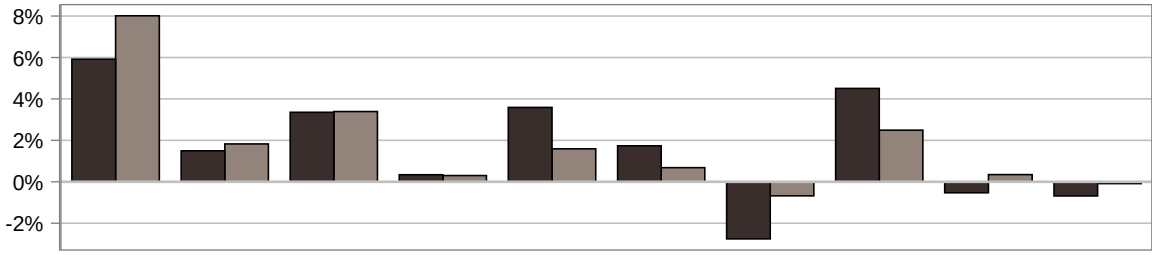
Please be aware that past performance is not a reliable indicator of future results.
The performance chart shows the class's investment returns. These returns are percentage changes in the Sub-Fund's net asset value between the end of one year and the end of the following year in the currency of the Class.

### Charges and Fees

The fees for the ongoing Sub-Fund charges are included in the calculation of past performance. The entry/exit fees are excluded from the calculation of past performance.

### Launch Date and Currency

Sub-Fund's launch date: December 4, 2009.
The reference currency of the Sub-Fund is CHF.
Past performance was calculated in CHF.




| | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 |
|---|---|---|---|---|---|---|---|---|---|---|
| LO Selection - TargetNetZero (CHF) Credit Bond, NA | 5.9% | 1.5% | 3.4% | 0.3% | 3.6% | 1.7% | -2.8% | 4.5% | -0.5% | -0.7% |
| SBI Foreign A-BBB® | 8.0% | 1.8% | 3.4% | 0.3% | 1.6% | 0.7% | -0.7% | 2.5% | 0.3% | -0.1% |

## Practical Information

### Depository

The depositary is CACEIS Bank, Luxembourg Branch.

### Price Publication

The net asset value per share is calculated daily and is available on www.loim.com and at the registered office of the SICAV.

### Further Information

You can find information about the SICAV, its sub-funds and the available share classes online at www.loim.com. This includes information on how to buy or sell shares or switch between the SICAV's various sub-funds. The Prospectus and annual and semi-annual reports for the SICAV and the details of the up-to-date remuneration policy of Lombard Odier Funds (Europe) S.A. can be obtained free of charge from the website www.loim.com and from the SICAV's registered office, at 291, route d'Arlon, L-1150 Luxembourg. These documents are available in English, Italian and French.

The assets and liabilities of the Sub-Fund are segregated from the assets and liabilities of the other sub-funds of the SICAV. Third party creditors will not have recourse to the assets of the Sub-Fund.

### Tax Legislation

The Sub-Fund is subject to the tax laws and regulations of Luxembourg. Depending on your own country of residence, this might have an impact on your investment. For further details you should consult a tax adviser.

### Liability Document

The SICAV may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the Prospectus for the SICAV.

### Switch between Sub-Funds

Provided investors meet the conditions set forth in the prospectus, they are entitled to exchange their shares in this Sub-Fund with either shares of another class of this Sub-Fund or shares of another sub-fund of the SICAV.
For more information about switch of shares, see section 14 "Conversion of Shares" of the prospectus. The prospectus is available at www.loim.com.

This Sub-Fund is authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.
Lombard Odier Funds (Europe) S.A. is authorised in Luxembourg and regulated by Commission de Surveillance du Secteur Financier.
This key investor information is accurate as at January 31, 2022.