

ODDO BHF EURO CREDIT SHORT DURATION

The income of short maturity bonds

JANUARY 2024

Launched in

2011

Assets under management

€ 1.51bn

CREDIT FUND INVESTED IN SHORT MATURITY BONDS

- Short maturity bonds provide liquidity through regular maturities, **high visibility** due to the short investment horizon and a **lower volatility** than longer maturity bonds
- ODDO BHF Euro Credit Short Duration is an actively managed fund with a focus on Euro denominated corporate bonds maturing mainly in less than 4 years with a minimum rating of B -/B 3
- Proven investment process incorporating a bottom-up bond selection based on a fundamental credit analysis
- Integration of ESG (Environment, Social and Governance) criteria in the investment process
- Highly experienced management team supported by more than 20 investment experts dedicated to Fixed Income

CHARACTERISTICS OF THE FUND

Fund	SFDR classification ⁽¹⁾	Synthetic Risk Indicator ⁽²⁾
ODDO BHF Euro Credit Short Duration	6 8 9	① ② ③ ④ ⑤ ⑥ ⑦

MAIN RISKS:

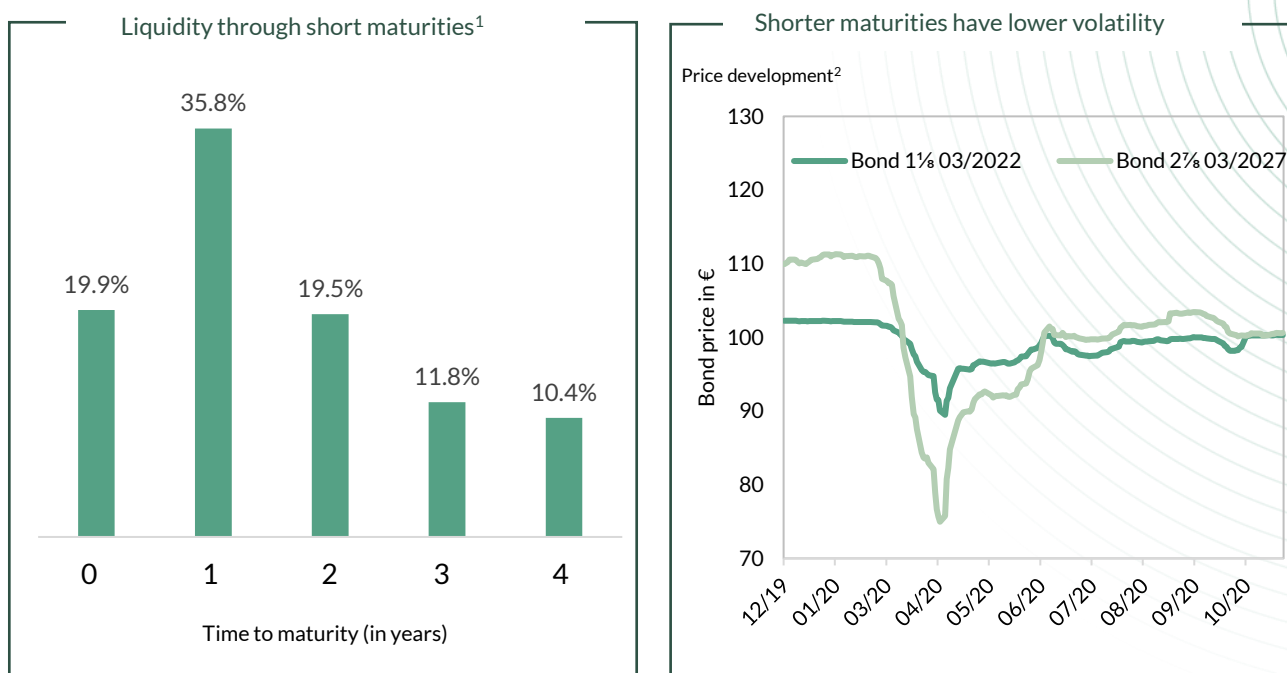
ODDO BHF Euro Credit Short Duration is principally exposed to the following risks: **a risk of capital loss, credit risk, interest rate risk and risk associated with High Yield bonds**. For more details about risks, please refer to page 5 of this document.

¹ The EU Sustainable Finance Disclosure Regulation (SFDR) is a set of EU rules which aim to make the sustainability profile of funds transparent, more comparable and better understood by end investors. Article 6: The management team does not consider sustainability risks or adverse effects of investment decisions on sustainability factors in the investment decision making process. Article 8: The management team addresses sustainability risks by integrating ESG criteria (Environment and/or Social and/or Governance) into its investment decision making process. Article 9: The management team follows a strict sustainable investment objective that significantly contributes to the challenges of the ecological transition, and addresses Sustainability Risks through ratings provided by the Management Company's external ESG data provider. | ² The synthetic risk indicator (SRI) is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. It scales in a range from 1 (lowest risk) to 7 (highest risk). The lowest category does not mean a risk-free investment. This indicator is not constant and is updated if the risk profile of the fund changes over time. Historical data, such as is used to calculate the risk indicator, may not be a reliable indication of the future risk profile of the Fund. There is no guarantee that the management objectives in terms of risk will actually be met.
Source: ODDO BHF AM GmbH | Data as of 31/12/2023

WHY INVEST IN *short maturity bonds* ACCORDING TO OUR ANALYSIS?

- **Liquidity through regular maturities:** a significant proportion of the portfolio maturing short-term enables portfolio managers to smoothly adjust the portfolio to prevailing market conditions
- **Higher visibility provided by shorter investment horizon:** shorter maturities provide higher visibility, e.g., the predictability of cash flows is usually higher than for longer maturity bonds, according to our analysis
- **Reduced sensitivity to risk factors:** shorter maturities exhibit lower interest rate and credit spread sensitivity compared to an all-maturities universe

POTENTIAL BENEFITS OF SHORT MATURITY BONDS:

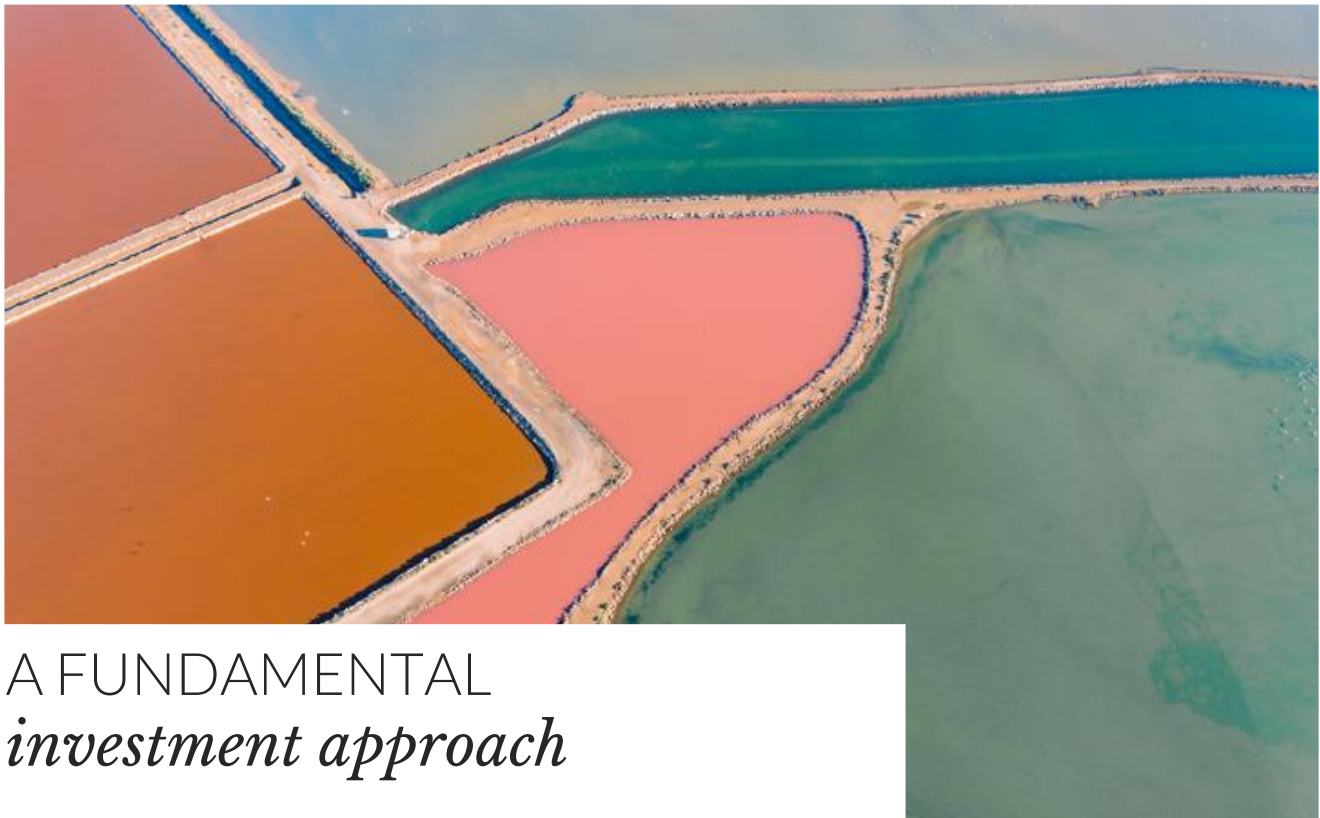


POTENTIAL RISKS OF SHORT MATURITY BONDS:

- **RISK OF CAPITAL LOSS**
- **CREDIT RISK**
- **INTEREST RATE RISK**
- **LIQUIDITY RISK OF UNDERLYING ASSETS**

The fund is exposed to a risk of capital loss. This information is provided for illustrative purposes only and should not be construed as investment advice.

¹ Based on the portfolio of ODDO BHF Euro Credit Short Duration. | ² Bond price in EUR, development of two High Yield bonds maturing in 03/2022 and 03/2027, respectively. | Source: ODDO BHF AM GmbH, data as of 31/12/2023



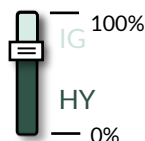
A FUNDAMENTAL *investment approach*

- **Investment objective:** Provide a high level of income and capital growth
- **Investment universe:**
 - Focus on **Euro corporate bonds** with a rating of at least **B3 or B-** and a **residual maturity of 4 years**
 - A minimum of 20 % of the assets will be invested in sub-investment grade bonds (**High Yield**)
- **Bottom-up driven bond selection** based on fundamental credit analysis
- **Rigorous sell discipline** with the objective of avoiding defaults
- **Ongoing monitoring** of bonds in the portfolio
- **No leverage. Systematic hedging of currency risk** (residual risk of 5%)

PORTFOLIO CONSTRUCTION

1

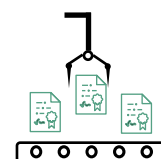
ALLOCATION IG & HY



Where are we in the credit cycle globally?

2

BOND SELECTION



Objective: Avoid default!

3

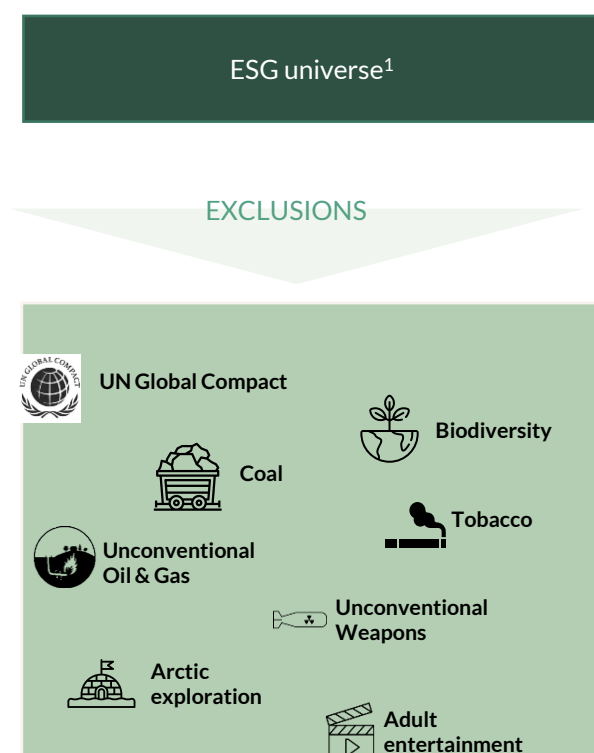
Construction of the conviction-based portfolio

This information should not be construed as investment advice. The fund bears the risk of capital loss.

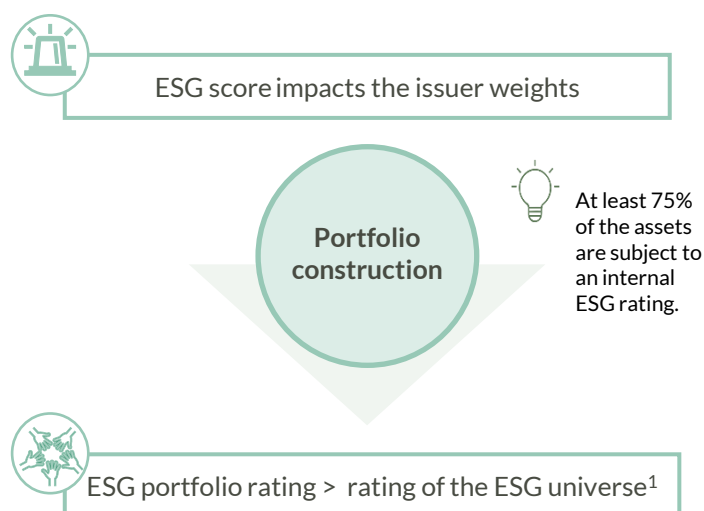
OUR APPROACH

ODDO BHF Euro Credit Short Duration integrates ESG (environment, social and governance) criteria in the investment process.

EXCLUSION POLICY



PORTFOLIO CONSTRUCTION



The use of ESG criteria may affect the Fund's performance and therefore the Fund's performance may differ positively or negatively from the performance of similar funds that do not use such criteria. The sector exclusions in place for the Fund may not correspond directly with the investor's views.

¹The investment universe of the Sub-Fund is made up of the companies included in the following credit market index: 100% ICE BOFA 0-5 Year Euro Developed Markets High Yield 2% Constrained Index

INVESTMENT TEAM²



28

ALEXIS RENAULT, CFA

Global Head of High Yield,
ODDO BHF AM

● Years of investment experience



15

HAIYAN DING, CFA

Portfolio Manager High Yield,
ODDO BHF AM

²Current management team, subject to change

WHY INVEST IN *ODDO BHF Euro Credit Short Duration* ACCORDING TO OUR ANALYSIS?

ACCESS

The fund provides access to a diversified portfolio of short maturity corporate bonds, mainly denominated in Euro

A PROVEN INVESTMENT PROCESS

The long-standing proven investment process combines fundamental credit analysis, ongoing monitoring of bonds and disciplined risk management

HIGHLY EXPERIENCED INVESTMENT TEAM

An experienced management team of portfolio managers specialized in corporate credit with a proven track record in different market regimes

FULLY INTEGRATED ESG APPROACH

Integration of ESG (Environment, Social and Governance) criteria in the investment process

RISKS

ODDO BHF Euro Credit Short Duration is mainly exposed to the following risks: Risk of capital loss, credit risk, interest rate risk, risk associated with discretionary management, liquidity risk of underlying assets, counterparty risk, emerging market risk, Risks associated with securities financing transactions and collateral management, risk associated with high yield bonds, volatility risk, risk associated with commitments on forward financial instruments, sustainability risk and to a limited extend currency conversion and exchange risk and risk associated with convertible bonds.

The investor is invited to read the Key Information Document and the fund prospectus for detailed information concerning the risks to which the fund is exposed.



General characteristics

Fund name	ODDO BHF Euro Credit Short Duration	
Benchmark index	None	
Investment objective	The objective is to provide a high level of income and capital growth with a focus on corporate bonds denominated in Euro with a rating of at least B3 or B- and mainly a maximum residual maturity of 4 years. A minimum of 20% of the assets will be invested in sub-investment grade bonds (High Yield). Issuers are principally from countries with investment grade rating.	
Recommended investment horizon	3-5 years	
Inception date	1-Jun-2011	
Morningstar™ Category	EUR High Yield Bond	
Class of units	CR-EUR	DR-EUR
ISIN code	LU1486845537	LU0628638974
Currency	EUR	
Dividend policy	Accumulation	Distribution
Minimum initial subscription	EUR 100	
Subscription fees	5% max of net asset per share	
Management fees	0.80% max of net assets	0.80% max of net assets
Redemption fees	none	
Outperformance fees	none	
Structure and technical information		
Legal structure	Luxembourg SICAV	
Management company	ODDO BHF Asset Management SAS	
Investment management by delegation	ODDO BHF Asset Management GmbH	
Custodian	CACEIS Bank Luxembourg SA	
Subscription / redemption	Daily at unknown price until 12:00 (noon)	
Valuation frequency	Daily	
Glossary		
Volatility	Volatility refers to the amount of uncertainty or risk about the size of changes in a security's value. A higher volatility means that a security's value can potentially be spread out over a larger range of values. This means that the price of the security can change dramatically over a short time period in either direction. A lower volatility means that a security's value does not fluctuate dramatically, but changes in value at a steady pace over a period of time.	
Modified duration to maturity	Discounted average lifetime of all flows (interest and principal), for an investor who keeps a bond until redemption, assuming that the issuer will not default.	

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ODDO BHF Asset Management SAS (France)

Portfolio management company approved by the Autorité des Marchés Financiers under GP 99011.
Société par actions simplifiée with capital of € 21,500,000. Trade Register (RCS) 340 902 857 Paris.
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