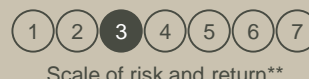
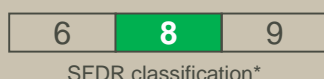


# ODDO BHF EURO CREDIT SHORT DURATION

July 2021



## OBJECTIVE OF THE FUND

- The investment objective of the Sub-fund is to provide a high level income and capital growth
- Focus is 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)

## REASONS TO INVEST ACCORDING TO OUR ANALYSIS

	<p><b>1 Liquidity through regular maturities</b></p> <p>A significant proportion of the portfolio maturing short-term enables portfolio managers to smoothly adjust the portfolio to prevailing market conditions</p>
	<p><b>2 Higher visibility provided by shorter investment horizon</b></p> <p>Shorter maturities provide higher visibility, e.g. the predictability of cash flows is usually higher than for longer maturity bonds, according to our analysis</p>
	<p><b>3 Reduced sensitivity to risk factors</b></p> <p>Shorter maturities exhibit lower interest rate and credit spread sensitivity compared to an all maturities universe</p>
	<p><b>4 Potentially attractive risk-adjusted returns</b></p> <p>Historically credit investments in shorter maturities offered potentially attractive risk adjusted returns compared to an all maturities universe</p>
	<p><b>5 Experienced team with proven track record</b></p> <p>The fund is managed by a dedicated team with a proven investment process (no default since 2000, as of 06/2021)</p>
	<p><b>6 Integrated ESG approach</b></p> <p>Consideration of ESG (Environment, Social and Governance) criteria in the investment process</p>

## MAIN RISKS

**The fund is mainly exposed to: risk of capital loss, credit risk, risk associated with HY bonds, emerging market risk.**

\* 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. / \*\* Synthetic risk and return indicator: with lower risk, potentially lower return and higher risk, potentially higher return. The risk profile is not constant and may change over time. Source: ODDO BHF AM GmbH

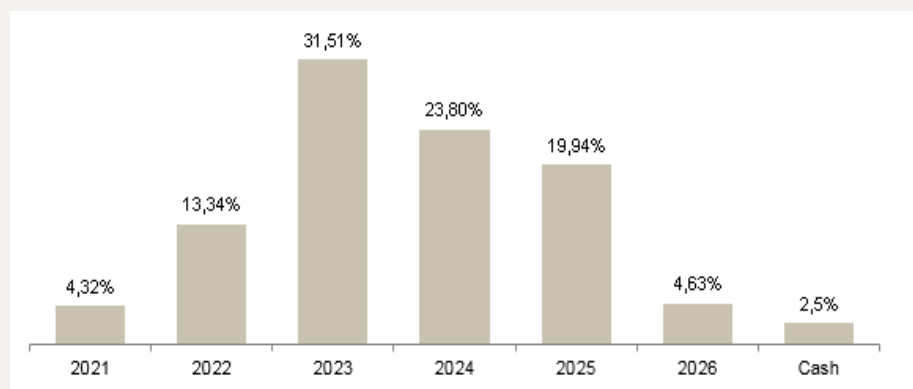
# The case for Euro Credit Short Duration



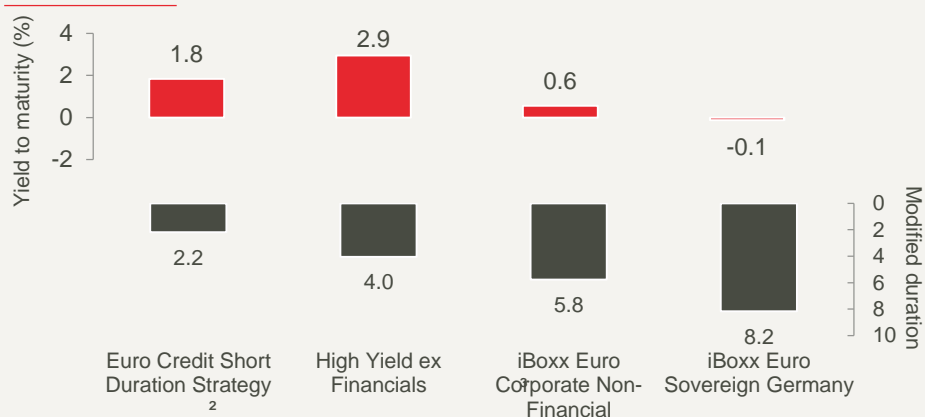
## According to our analysis:

### Liquidity through regular maturities<sup>1</sup>

- Maturity profile: 49.2% of the portfolio maturing until End of 2023



### Short Duration Credit<sup>2</sup> with low interest rate sensitivity and potentially attractive yield relative to duration<sup>4</sup>



**Past performance is not a reliable indication of future return and is not constant over time. The Fund presents a risk of capital loss.**

**This information is provided for illustrative purposes only and should not be construed as investment advice.** <sup>1</sup> Based on the Portfolio of ODDO BHF Euro Credit Short Duration. <sup>2</sup> 70% BofAML Euro High Yield 2-4, Index, 30% 1-3 Year BofAML Euro Corporate Index. <sup>3</sup> High Yield ex-Financials: BofAML Euro High Yield Fixed Floating Rate ex Financials Constrained Index. <sup>4</sup> The Yield to Maturity (YtM) is the estimation at a certain date of the expected rate of return of a bond portfolio if the securities are held to maturity. It does by no means constitute a promised return. It can, therefore, be affected by interest rate risks, default risks, reinvestment risks and the fact that bonds may not be held until maturity. Sources: Bloomberg, Markit, ODDO BHF AM GmbH, data as of 06/2021

# The case for Euro Credit Short Duration

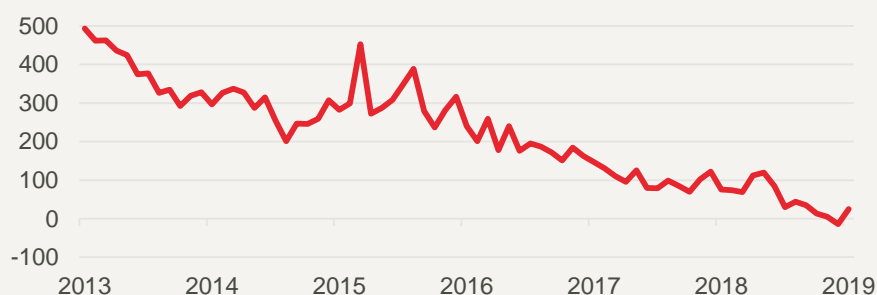


## According to our analysis:

The credit spread of a typical corporate bond tend to decrease over time



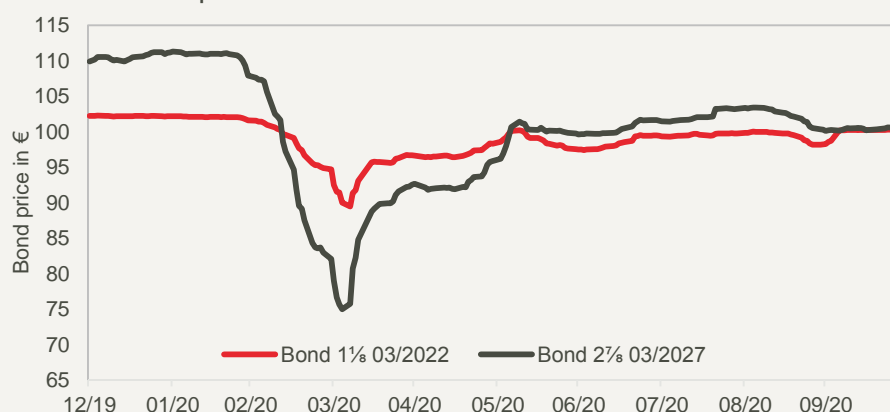
- Credit spread (bps)<sup>1</sup>



Shorter maturities exhibit lower spread sensitivity



- Price development<sup>2</sup>



**Past performance is not a reliable indication of future return and is not constant over time. The Fund presents a risk of capital loss.**

This information is provided for illustrative purposes only and should not be construed as investment advice. <sup>1</sup> Illustration based on a High Yield bond issued in 07/2014 and maturing 12/2019 <sup>2</sup> Bond price in EUR, development of two High Yield bonds maturing in 03/2022 and 03/2027, respectively. Sources: Bloomberg, Markit, ODDO BHF AM GmbH | Source: Bloomberg, ODDO BHF AM GmbH

# ODDO BHF Euro Credit Short Duration Management team, philosophy & process

## Management team



### Alexis Renault

Head of High Yield,  
ODDO BHF AM GmbH



26 years investment  
experience



### Haiyan Ding, CFA

Portfolio Manager/Analyst HY,  
ODDO BHF AM GmbH



13 years investment  
experience



with **18 investment experts**  
covering IG Credit & HY Credit



with an average  
**investment experience of 13 years**

## Investment philosophy



➤ Identify issuers which are expected to maintain sufficient liquidity until maturity



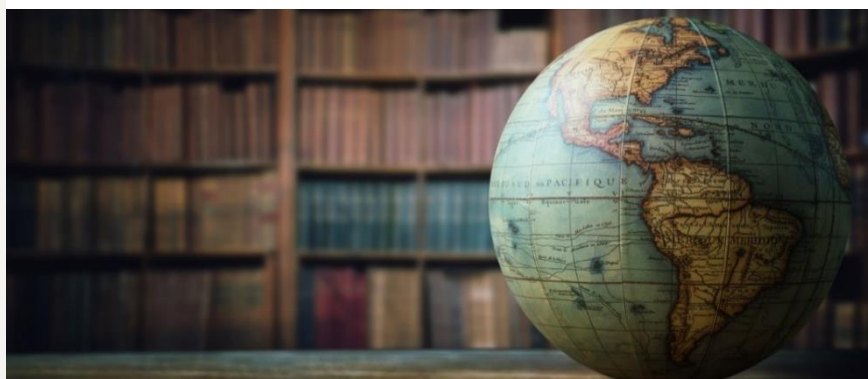
➤ To achieve the objective of capital appreciation and income in positive markets



➤ To attempt to limit the drawdown in turbulent markets



➤ The objective to avoid default as a key priority



## Investment Process

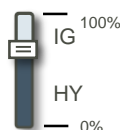
### Investment Universe

- Focus on European & US High Yield & Investment Grade rated (min. 20% High Yield)
- Minimum rating of B-/B3
- Focus on bonds maturing in less than 4 years and which are denominated in Euro
- ESG exclusion filter:
  1. Norm-based exclusion filter – UN Global Compact
  2. Sectoral exclusion filter – Exclusion of industries such as:
    - coal, production of coal-based energy

### Top-Down

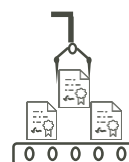
### Bottom-up

#### 1 Allocation IG & HY



Where are we in the credit cycle?

#### 2 Bond selection



Avoid default!

3

Construction of the  
conviction-based  
portfolio

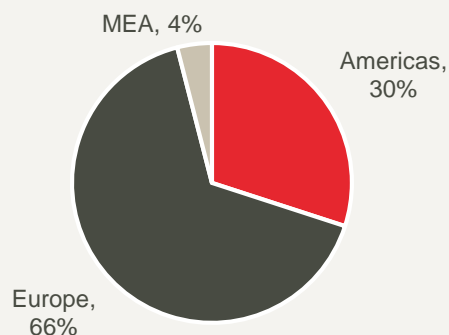
# ODDO BHF Euro Credit Short Duration Performance & Portfolio overview



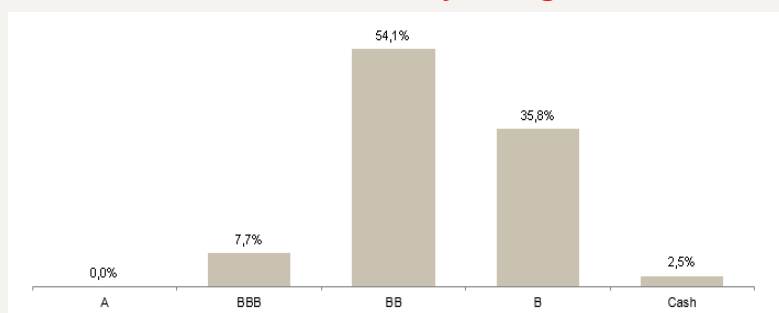
## Key characteristics

<b>1.8%</b>	<b>2.2</b>	<b>BB2</b>	<b>89.8%</b>
Yield to maturity <sup>1</sup>	Duration to maturity	Average rating	High Yield

## Breakdown by region



## Breakdown by rating



**This information is provided for illustrative purposes only and should not be construed as investment advice.**

<sup>1</sup>The Yield to Maturity (YtM) is the estimation at a certain date of the expected rate of return of a bond portfolio if the securities are held to maturity. It does by no means constitute a promised return. It can, therefore, be affected by interest rate risks, default risks, reinvestment risks and the fact that bonds may not be held until maturity. Source: ODDO BHF AM GmbH, data as of 30/06/2021

### Risks

The fund named in this presentation is exposed to a certain number of risks: risk of capital loss, interest rate risk, credit risk, risk associated with high-yield bonds, risk associated with discretionary management, emerging markets risk, volatility risk, counterparty risk, liquidity risk of underlying assets, risk associated with commitments on forward financial instruments.

The Sub-Fund will be exposed, to a limited extent, to the following risks: risk associated with convertible bonds, currency conversion and exchanges risks.

**Investors should consult the KIID and the fund prospectus to obtain detailed information on risks to which the fund is exposed.**

### Portfolio Managers\*

#### Alexis Renault, CFA

Head of High Yield, ODDO BHF AM GmbH  
26 years investment experience

#### Haiyan Ding, CFA

Portfolio Manager / Analyst High Yield,  
ODDO BHF AM GmbH  
12 years investment experience

### Credit management capabilities\*

12 portfolio managers/analysts High Yield

8 portfolio managers/analysts Investment Grade

**Countries of Distribution** France, Finland, Germany, Austria, Luxembourg, Norway, Italy, Portugal, Spain, Sweden, Switzerland, UK and Singapore (accredited investors only)

### General characteristics

Fund name	ODDO BHF Euro Credit Short Duration
Benchmark index	None
Investment objective <sup>1</sup>	The objective is to provide a high level of income and capital growth by investing primarily in corporate bonds denominated in Euro with a rating of at least B3 or B- and a mainly 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

Share classes	CR-EUR	DRw-EUR
ISIN Code	LU1486845537	LU0628638974
Currency	EUR	EUR
Type of shares	Accumulation	Distribution
Min. initial subscription	EUR 100	EUR 100
Subscription fees	5% of net asset per share	5% of net asset per share
Management fees	0.80% of net asset	0.80% of net asset
Redemption fees	None	None
Outperformance fees	None	None

### Structure and technical information

Legal status	Luxembourg SICAV
Management company	ODDO BHF Asset Management SAS
Management delegation	ODDO BHF Asset Management GmbH
Custodian	Caceis Bank Luxembourg SA
Subscriptions/redemptions	Daily at unknown price until 12:00
Valuation frequency	Daily

\* Current management team, liable to change

<sup>1</sup>The achievement of targets can not be guaranteed.

### Glossary

<b>Maturity</b>	Maturity is the agreed-upon date in which the investment ends.
<b>Modified duration to maturity</b>	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.
<b>Yield to maturity</b>	Real rate of return of a bond for an investor who keeps it until redemption, assuming the reinvestment of interest at the same yield, assuming the issuer does not default.
<b>Credit spread</b>	The yield of a corporate bond is equal to the yield of a government bond to which is added a premium to compensate for additional credit risk. This premium is called a spread.

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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 €9,500,000. Trade Register (RCS) 340 902 857 Paris.

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