

# Lannebo Sustainable Corporate Bond

## Key Investor Information Document

This document provides you with key investor information about this 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 fund. You are advised to read it so you can make an informed decision about whether to invest.

ISIN code: SE0013646866

Share class: A SEK

Lannebo Fonder AB, registration no 556584-7042

### Objective and investment policy

The fund is an actively managed fixed-income fund that focuses on investments in corporate bonds. The management of the fund is categorized by the fund's sustainability focus. The fund mainly focuses on the Nordic region but it has the opportunity to, to a certain extent, make investments in other parts of Europe.

Lannebo Fonder seeks to invest the fund's funds in bonds where the proceeds are invested in sustainability projects (including so called green, social and sustainability bonds). The fund selects companies based on three main themes: A better environment, a healthier life and a sustainable society. As an alternative, the fund shall receive one of the highest grades in our sustainability analysis. The fund does not invest in companies that violate international conventions or in companies that produce and/or distribute controversial weapons. The fund also refrains from investing in companies in which more than 5 per cent of the company's turnover comes from the production and/or distribution of tobacco, cannabis, alcohol, weapons, gambling or pornography. The fund also refrains from investing in companies in which more than 5 per cent of the company's turnover comes from extracting of fossil fuels (coal, oil and gas).

The fund may invest in both fixed income securities with low credit ratings, so called high yield, and those with a high credit rating, so called investment grade. The fund may also invest in fixed income securities with no credit rating. The average assessed credit rating for the fund's investments are, at the lowest, investment grade.

The credit and interest-rate duration of the fund's holdings is normally at a maximum of 5 years.

The fund seeks to minimize the effects of exchange rate fluctuations by hedging investments in foreign currencies using derivatives.

The fund is managed according to Lannebo Fonder's investment philosophy of active asset management. Each investment is evaluated individually. We invest exclusively in corporate bonds issued by companies that we are familiar with and which we judge are stable with strong balance sheets. The fund invests in corporate bonds from various industries, geographic regions and varying risk profiles. We are independent in our management of, and in our decisions regarding, the fund. The most attractive shares, according to the managers, are the largest holdings in the fund, regardless of the holdings in the fund's benchmark.

Deviations against benchmark index can be both larger and smaller, please see the fund's annual report or information brochure for an account of the fund's actual deviations in relation to its benchmark over time.

The objective is that over time, taking into account the level of risk, generate a stable return which also exceeds the benchmark index. The fund normally does not pay dividends and instead all income is reinvested in the fund. Purchase and sale of units of the fund may normally be made on all banking days.

**Benchmark:** Solactive SEK IG Credit Index. The fund's benchmark was before 1 June 2020 NOMX Credit SEK Total Return Index.

**Recommendation:** The fund may be unsuitable for investors who plan to withdraw their money within three years.

### Risk and reward profile

Lower risk

Higher risk

1	2	3	4	5	6	7
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Typically lower rewards

Typically higher rewards

**About the indicator:** The risk and reward indicator illustrates the relationship between risk and potential returns from an investment in the fund. Since the fund started 18 February 2020, the indicator is based on historic information from a relevant object of comparison.

**The fund's investment:** The fund belongs to category 3, which means a moderate risk for both increases and decreases in the value of fund units. Category 1 does not mean the fund is a risk free investment. Over time the fund may shift to both the right and left on the indicator scale. This is because the indicator is based on historical data that is not a guarantee of future risk and returns.

Interest risk, i.e. the fund's sensitivity to changes in interest-rates, may be higher in this type of bond fund compared to a short term fixed-income fund. That's because the fund may

invest in fixed income securities with longer maturities, which normally means greater volatility, but also the opportunity for higher returns. The indicator primarily reflects increases and decreases in the value of fixed income securities in which the fund invests.

**Risk factors not shown through the indicator:** The credit risk is not fully reflected in the indicator. Credit risk refer to the risk that the creditworthiness of an issuer or counterparty becomes impaired affecting the value of the security. The fund managers assess the credit quality of the investments regularly.

The liquidity risk, i.e. the risk that a security cannot be sold at the intended time without a major reduction in price or substantial costs. This risk may be higher in corporate bond funds than in fixed income funds or equity funds. The corporate bond market has a lower transparency and liquidity than eg. the stock market. Liquidity may vary due to changes in demand and supply. If liquidity becomes low, larger withdrawals from the fund may led to that holdings need to be sold at unfavorable prices and, in exceptional cases, that withdrawal may not be possible im-

mediately upon request. This places greater demands on the management of liquidity and that the fund from periodically has an appropriate mix of holdings.

The fund may be exposed to operational risk as a result of the fixed income market's lower transparency and standardi-

zation. This is especially true in the event of market turmoil and possible credit events. Operational risk is the risk of loss due to lack of internal routines or external factors such as legal and documentation-related risks as well as risks as a result of trading, settlement and valuation routines.

## Charges

One-off charges taken before or after you invest	
Entry charge	None
Exit charge	None
<i>This is the maximum that might be taken out before investing/before the proceeds of investments are paid out.</i>	
Charges taken from the fund over a year	
Ongoing charges	0,92%
Charges taken from the fund under certain specific conditions	
Performance fee	None

Your distributor can provide you information regarding current fees.

The ongoing charges are an estimate, since the fund started on 18 February 2020. The ongoing charges refers to the current management fee the fund manager intends to take out with an addition for costs for custody services paid to the depository. The annual report of the fund will contain details of the exact charges for each financial year.

Ongoing charges include the amount paid for the management, administration, marketing and other expenses including research costs for the fund. The charges do not include variable costs for securities trading (brokerage fees). The charges may vary from one year to another.

The charges cover the fund's costs including costs for marketing and distribution. These charges reduce the potential returns.

## Past performance

Information about the fund's performance is missing since the fund started on 18 February 2020.

Past performance is not a guarantee for future performance.

## Practical information

**Additional information** about Lannebo Sustainable Corporate Bond is available in the prospectus and the fund rules. These are available free of charge on our website in both Swedish and English. Please contact our customer service for a paper copy free of charge.

For information about the minimum investment amount and monthly savings, please refer to the website.

**Website:** [www.lannebo.se](http://www.lannebo.se)

**Phone number:** +46 (0)8-5622 5200

**Depository:** Skandinaviska Enskilda Banken AB (publ).

**Limitation of liability:** Lannebo Fonder AB 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 fund.

**Remuneration policy:** Information about the management company's remuneration policy is available on the management company's website. A printed copy of

the information can also be obtained upon request free of charge.

**Net asset value (NAV):** The NAV is calculated daily and published on our website.

**Tax:** The tax legislation applied in the fund's authorisation country may have an effect on your personal tax situation.

**Authorisation:** This fund is authorised in Sweden and regulated by the Swedish Financial Supervisory Authority.

**Publication:** This key investor information is valid as at 15 February, 2021.



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