

# Rathbone SICAV Ethical Bond Fund

## Investment objective

The sub-fund's objective is to seek regular, above-average income. Under normal circumstances, the sub-fund invests mainly in bonds and bond market instruments that meet strict ethical and financial criteria.

The sub-fund may also invest in other securities permitted by UCITS regulations. The sub-fund may use investment techniques and derivatives for efficient portfolio management (including hedging).

## Fund snapshot

The manager runs the benchmark-agnostic sub-fund with a strongly defined view that accounts for economic and political trends, company analysis, and thematic ideas. The investment grade sub-fund targets a high yield with a strong ethical overlay. Once investment themes have been developed, the team carry out credit analysis to find the assets that work best within the thematic framework. Cash flow and strong balance sheets are key in determining bond selection, with the team applying the 'Four Cs Plus' principles: character, capacity, collateral and covenants. The 'Plus' is conviction - that to achieve above-average long-term performance, the team feel they must think differently to the market. After that, an ethical overlay is applied which consists of a negative screening followed by a positive screening.

## Fund facts

|  |  |
|--|--|
| <b>Investment manager</b>                        | Rathbone Unit Trust Management Limited   |
| <b>Trustee</b>                                   | HSBC France, Luxembourg branch   |
| <b>Product type</b>                              | SICAV  |
| <b>Date launched</b>                             | Sub-fund: May 2016   |
| <b>Size of fund<sup>†</sup></b>                  | Sub-fund: £198.07m <sup>††</sup>   |
| <b>Share price</b>                               | Daily prices available at <a href="http://rathbonefunds.com">rathbonefunds.com</a>                                 |
| <b>Historical distribution yield<sup>*</sup></b> | Sub-fund Inc: 3.06%  |
| <b>Average yield to maturity</b>                 | 2.05%  |
| <b>Modified duration</b>                         | 6.68 years   |
| <b>Total no. of holdings</b>                     | 221  |
| <b>Initial charge</b>                            | None   |
| <b>Annual management charge (AMC)</b>            | 0.49%  |
| <b>MiFID II charges</b>                          |  |
| <b>Ongoing charges figure (OCF)</b>              | Inc: 0.55%/Acc: 0.55%  |
| <b>Transaction costs</b>                         | Inc: 0.07%/Acc: 0.07%  |
| <b>Total MiFID II charges</b>                    | Inc: 0.62%/Acc: 0.62%  |
|  | The MiFID II charges include the ongoing charges figure (OCF) and transaction costs. PRIIPs compliant <sup>*</sup> |
| <b>Minimum investment (initial/additional)</b>   | £1,000,000 / £500  |
| <b>Reporting status</b>                          | Yes  |

## Distributions per share (GBP)<sup>^^^</sup>

### Latest distributions

|         |             |
|---------|-------------|
| Interim | 0.62p (est) |
| Annual  | 0.38p       |
| Interim | 1.12p       |
| Interim | 1.10p       |

|         | Ex div    | Payment   |
|---------|-----------|-----------|
| Interim | 01 Jan 21 | 28 Feb 21 |
| Annual  | 01 Oct 20 | 30 Nov 20 |
| Interim | 01 Jul 20 | 31 Aug 20 |
| Interim | 01 Apr 20 | 31 May 20 |

Year end 30 September<sup>^^</sup>  
Since 6 April 2017, distributions are paid gross.

<sup>^^^</sup>Income share class only. For other currencies please contact the International information line.

## Maturity distribution

| Data as at 31.12.20 | % in fund |
|---------------------|-----------|
| 0-5 Years           | 30.44     |
| 5-10 Years          | 34.32     |
| 10-15 Years         | 14.08     |
| 15+ Years           | 17.85     |
| Cash                | 3.31      |

## Product availability

For more information, please see our 'distribution partners' on the 'How to Invest' section of our website [rathbonefunds.com](http://rathbonefunds.com)

## Dealing/valuation

Forward daily: 9.00am-5.00pm CET  
Valuation point: 1.00pm CET  
Dealing/valuation: +352 40 46 46 766  
Information line: +44 (0)20 7399 0800

## Fund codes

ISIN (L Inc GBP): LU1396461698  
ISIN (L Inc EUR): LU1396461425  
ISIN (L Inc USD): LU1396461771  
ISIN (L Inc CHF): LU1778938628  
ISIN (L Acc GBP): LU1396461268  
ISIN (L Acc EUR): LU1396461185  
ISIN (L Acc USD): LU1396461342  
ISIN (L Acc CHF): LU1778938545

## Management



**Bryn Jones**  
Fund Manager

Bryn joined Rathbones in November 2004 and heads up the fixed income team. He has over 20 years' investment industry experience in equity and fixed income markets. Bryn is a WMA representative and sits on the IA fixed income advisory committee.



**Noelle Cazalis**  
Fund Manager

Noelle joined Rathbones in July 2011. She assists in the management of the Rathbone Ethical Bond Fund and the Rathbone Strategic Bond Fund. She also manages the Rathbone High Quality Bond Fund since its launch in 2018. Noelle holds two master's degrees in Economics and Finance.

## Manager ratings

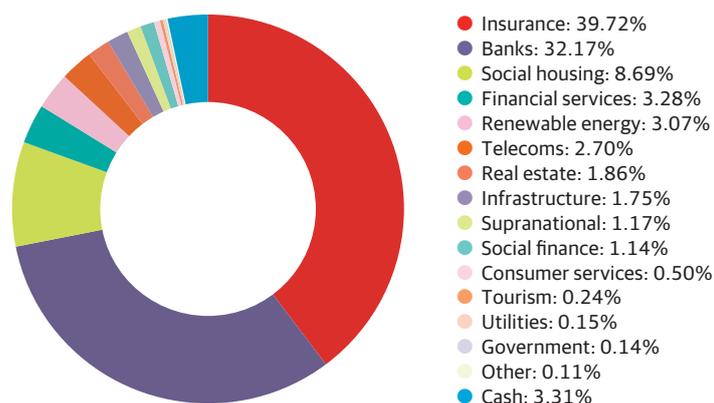


Bryn Jones

<sup>††</sup>Please note that the size of fund shown is that of the Luxembourg SICAV sub-fund after the change from master feeder structure to being a directly invested fund. Prior to March 2019 the size of fund shown was that of the UK domiciled Master fund. If you have any questions please contact your financial adviser.

## Sector asset allocation (iBoxx sector classifications)

Data as at 31.12.20



## Fund performance and volatility\*

Data as at 31.12.20

|                                   | 1 year | 3 years | Since launch |
|-----------------------------------|--------|---------|--------------|
| Rathbone Ethical Bond Fund        | 8.41%  | 18.22%  | 34.97%       |
| IA Sterling Corporate Bond sector | 7.77%  | 15.38%  | 28.33%       |

Discrete annual performance, quarter ending 31 December

|                                   | 2016 | 2017   | 2018   | 2019   | 2020  |
|-----------------------------------|------|--------|--------|--------|-------|
| Rathbone Ethical Bond Fund        | -    | 10.02% | -2.70% | 12.07% | 8.41% |
| IA Sterling Corporate Bond sector | -    | 5.06%  | -2.22% | 9.49%  | 7.77% |

Price performance based upon bid to bid prior to 21.01.19 and single price (mid) thereafter. Performance is shown for SICAV L-class accumulation shares, which were launched on 20 May 2016, total return net income reinvested. The investment objective of the sub-fund changed on 25 March 2019 due to the sub-fund ceasing to be part of a master feeder arrangement. Therefore, performance shown prior to this date was achieved under differing circumstances.

Past performance should not be seen as an indication of future performance. The value of investments and the income from them may go down as well as up and you may not get back your original investment.

## 10 largest holdings

Data as at 31.12.20

| Company         | Percentage | Yield | Expiry     |
|-----------------|------------|-------|------------|
| Lloyds          | 2.707%     | 3.35  | 03/12/2030 |
| HSBC            | 5.844%     | 2.27  | Perp       |
| Aviva           | 6.875%     | 2.15  | 20/05/2038 |
| Scottish Widows | 7.0%       | 2.04  | 16/06/2043 |
| Legal & General | 5.5%       | 1.83  | 27/06/2044 |
| M&G PLC         | 5.625%     | 1.82  | 20/10/2031 |
| Royal London    | 4.875%     | 1.59  | 07/04/2039 |
| AXA             | 5.453%     | 1.54  | Perp       |
| Royal London    | 6.125%     | 1.46  | 13/11/2028 |
| Legal & General | 3.75%      | 1.45  | 26/11/2029 |

## Credit quality distribution

Data as at 31.12.20<sup>§</sup>

| Credit Rating | Percentage |
|---------------|------------|
| AAA           | 4.18       |
| AA+           | 0.14       |
| AA-           | 1.00       |
| A+            | 2.16       |
| A             | 4.11       |
| A-            | 8.39       |
| BBB+          | 41.69      |
| BBB           | 16.40      |
| BBB-          | 12.35      |
| BB+           | 1.36       |
| BB            | 0.73       |
| NR            | 4.18       |
| Cash          | 3.31       |

### Investment manager:

#### Rathbone Unit Trust Management Limited

Authorised and regulated by the Financial Conduct Authority  
A member of the Investment Association  
A member of the Rathbone Group  
Registered No. 02376568

### Management company:

#### FundRock Management Company S.A.

Authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier.

#### Rathbone Unit Trust Management Limited

8 Finsbury Circus, London EC2M 7AZ

## You should know

### Important information

Copies of the Prospectus, the Key Investor Information Document (KIID), the Supplementary Information Document (SID), and application forms may be obtained, free of charge, from Rathbone Unit Trust Management Limited.

Changes in rates of exchange between currencies may cause the value of investments to decrease or increase.

If you have any doubts about your tax position, or the suitability of this investment, you should seek professional advice.

Interest rate fluctuations are likely to affect the capital value of investments within bond funds. When long term interest rates rise the capital value of shares is likely to fall and vice versa. The effect will be more apparent on funds that invest significantly in long-dated securities. The value of capital and income will fluctuate as interest rates and credit ratings of the issuing companies change.

### Information notes

CET - Central European Time

<sup>†</sup>Mid market value

<sup>^</sup>From April 2018, the ongoing charges figure has been calculated according to PRIIPs regulations, which came into effect on 1 January 2018. Holdings are based on six monthly audited accounts. Changes to fund holdings within this period may result in higher or lower ongoing charges.

<sup>†</sup>The historic distribution yield reflects the annualised income net of the expenses in the fund (calculated in accordance with the relevant accounting standards) as a percentage of the mid-market unit price of the fund as at the date shown. It is based on a snapshot of the portfolio on that day. It does not include any initial charge and investors may be subject to tax on their distributions.

<sup>\*\*</sup>As from 30 June 2016 the fund's year end changed to 30 September.

Source performance data FE fundinfo, price performance based upon bid to bid prior to 21.01.19 and single price (mid) thereafter. This is net of expenses and tax. Data using prices as at 31.12.2020. SICAV L-class units/shares were launched in May 2016. \*Performance is shown for SICAV L-class accumulation shares, which were launched on 20 May 2016, total return net income reinvested.

<sup>§</sup>Credit quality distribution ratings from various sources

Source and Copyright Citywire: Bryn Jones is + rated by Citywire for his three year risk adjusted performance for the period 30.11.2017-30.11.2020.

When operating in the EEA, Rathbone Unit Trust Management works in partnership with a tied agent. In Europe we market our funds through Rathbone Funds Advisers, Unipessoal Lda. ("Rathbone Funds Advisers") a company acting as a tied agent to Carne Global Financial Services (Europe), Unipessoal Lda. ("Carne Global") which is an investment advisory firm authorised under MiFID II and supervised by the Portuguese Securities Market Commission - the CMVM (Comissão do Mercado de Valores Mobiliários). Rathbone Funds Advisers is registered in Portugal and has been appointed by Carne Global to provide investment advisory services on its behalf in relation to financial instruments, in particular units or shares in undertakings for collective investments.

### International information line

+44 (0)20 7399 0800  
international@rathbones.com  
rathbonefunds.com