J. Safra Sarasin

JSS Sust. Bond - EUR Corporates M EUR acc

Fund Overview

Net asset value per share	179.71
Fund size in millions	88.30
Investment company	J. Safra Sarasin Fund Management (Luxembourg) S.A.
Depositary	RBC Investor Services Bank S.A., Luxembourg
Portfolio management	AM Bond, Bank J. Safra Sarasin Ltd, Basel
Portfolio Manager	Michail Gasparis
Domicile of fund	Luxembourg
ISIN code	LU0776582891
Swiss Sec.-No.	18 422 774
Launch date	12 June 2012
End of fiscal year	June
Total expense ratio	0.36%
Management fee	0.10%
Accounting currency	EUR
Dividend payment	none (reinvesting)
Sales fee	0.0%
Exit charge	0.0%
Legal Structure	SICAV
Issue/Redemption	daily
Benchmark (BM)	ICE BofA Euro Corporate Index
SFDR Classification	Article 8

Statistical Ratios	Fund	Benchmark
Volatility	5.92%	6.00%
Beta	0.96	n.a.
Sharpe Ratio	-0.57	-0.62
Information Ratio	0.27	n.a.
Tracking Error	1.23%	n.a.

The statistical ratios are calculated on the basis of the previous months (36 months, basis EUR). Risk-free interest rate: 0.22%

Bonds Portfolio Ratios

Average Rating	BBB+
Ø-Life	5.13
Yield to Maturity	4.80%
Modified Duration	5.20

Risk and reward profile

lower risk — higher risk

typically lower rewards — typically higher rewards

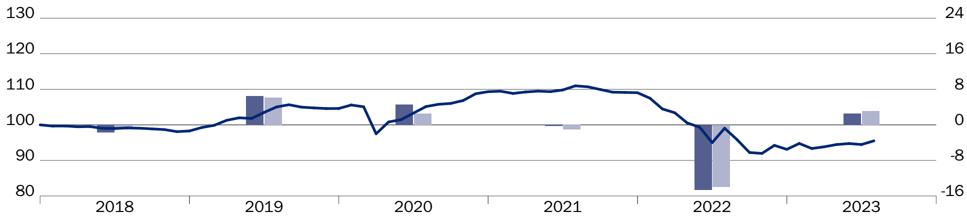
1	**2**	3	4	5	6	7

The risk and reward category shown is based on historical data and can not be used as a reliable indicator of the future risk profile of the fund. The classification of the fund may change over time and is not a guarantee.

Fund Portrait

The JSS Sustainable Bond - EUR Corporates aims to deliver a steady yield while maintaining a balanced risk diversification and optimal liquidity. To achieve this, the sub-fund invests globally, exclusively in debt instruments denominated in Euros and issued by companies that contribute to the creation of a sustainable economy. It will also systematically integrate financially-material ESG aspects throughout the entire investment process, in order to avoid controversial exposures, mitigate ESG risks and harness opportunities, while aiming to achieve an above-average ESG profile. In addition, the sub-fund can also invest in equities acquired through conversion or exercise of options, as well as hold liquidity.

Net Performance (in EUR) as of 31.07.2023



left scale:
Performance indexed

right scale, annual performance in %:
Fund
Benchmark (BM): ICE BofA Euro Corporate Index

	1 Month	3 Months	YTD	1 year	3 years p.a.	5 years p.a.
Fund	1.10%	1.10%	2.57%	-3.58%	-3.15%	-0.74%
BM	1.00%	0.76%	3.06%	-3.49%	-3.48%	-1.04%

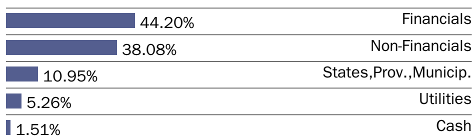
	2022	2021	2020	2019	2018	Since Inception
Fund	-14.61%	-0.27%	4.52%	6.43%	-1.72%	16.50%
BM	-13.94%	-1.03%	2.50%	6.15%	-0.87%	18.08%

Past performance does not guarantee future returns. The performance shown does not take account of any commissions and costs charged when subscribing and redeeming units.

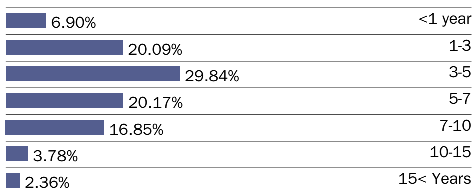
Top Ten Holdings

1.375% DB Finance GmbH 28.03.31	1.98%
5.750% Unipolsai	1.81%
0.875% GN Store Nord 25.11.24	1.60%
1.625% E. ON 29.03.31	1.50%
2.375% VR Group Plc 30.05.29	1.46%
0.950% Macquarie 21.05.31	1.34%
4.1250% Credit Agricole SA 07.03.30	1.17%
0.500% Investec Bank PLC 17.02.27	1.17%
1.375% Medtronic 15.10.40	1.16%
6.875% Alpha Bank 27.06.29	1.14%

Allocation by Debtor Categories



Maturity Structure of Bonds



Review

In July, the bond markets continued to shift the narrative from recession to a soft landing in the US after a better CPI reading and generally encouraging signs for the US economy. In addition, the decision by the Bank of Japan to move to more flexible yield curve control pushed sovereign bond yields higher. The credit market benefited from the lack of issuance during the summer months and the soft landing narrative. While a soft landing has become more likely in the US, the economic outlook for the euro area remains dire, particularly in Germany. The composite PMI for the euro area has fallen below 50, which indicates that a contraction of the euro area economy is likely. The diverging outlook for the economies on either side of the Atlantic is also becoming apparent in the yield differential between US Treasuries and German Bunds. The fund outperformed its benchmark due to active duration management and the strong performance of financials.

Outlook

While core inflation remains stubbornly high on both sides of the Atlantic, economic activity is diverging. Purchasing manager indices for the US continue to show strong economic activity in the US service sector. By contrast, the latest numbers for the euro area suggest that the service sector is “catching down” with the already recessionary manufacturing sector. While the market pricing of slightly below 4% for the ECB’s terminal rate makes sense to us, we believe the intermediate segment of the euro area yield curve is trading too high against the economic backdrop in the euro area. We therefore favour a long duration stance if 10-year German Bund yields move above 2.5%. Within our corporate bond holdings, we are continuing to derisk the portfolio by switching from subordinated to senior financials. We believe senior financials offer the best risk/reward profile within the European corporate bond space.