Flossbach von Storch

Flossbach von Storch - Bond Defensive - HT

CATEGORY: BONDS AND CONVERTIBLES
Data as per 31 January 2026

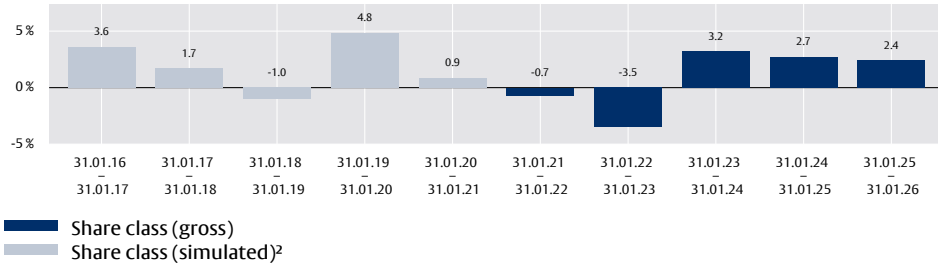
INVESTMENT STRATEGY

Flossbach von Storch - Bond Defensive is a globally diversified bond fund. The objective of the Fund Management is to generate the most stable possible returns for investors over time. The focus of the Fund is on government bonds, covered bonds, and investment-grade corporate bonds. The Fund flexibly takes advantage of the opportunities in the entire bond market; this distinguishes it from pure corporate bond or government bond funds. Foreign currency risks are largely hedged. Securities are selected within the framework of a fundamental analysis process. The fund manager relies on research tools developed in-house. Other in-house valuation models include ESG questions, and engagement. In addition, exclusion criteria defined as part of the Sub-Fund's investment policy are taken into account.

The Sub-Fund is actively managed and not benchmarked against an index. The portfolio is composed by the fund manager exclusively in accordance with the criteria defined in the investment policy, reviewed regularly and adjusted if necessary. The Sub-Fund is categorized as an Article 8 product within the meaning of the Disclosure Regulation (EU) 2019/2088 (SFDR).

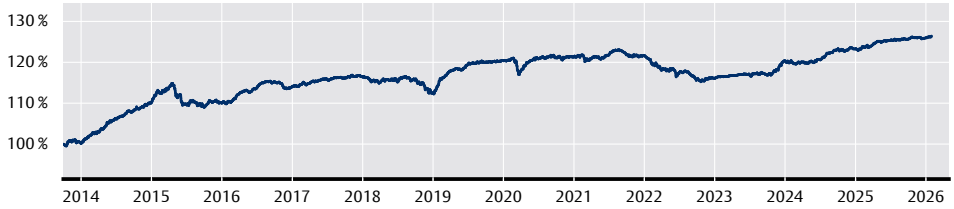
For detailed information on the objectives and investment policy, please refer to the most recent sales prospectus and the Key Information Document (PRIIP-KID).

ANNUAL PERFORMANCE IN EUR (IN %)²



Share class (gross)
Share class (simulated)²

PERFORMANCE IN EUR SINCE 1 OCTOBER 2013 (GROSS, IN %)²



ACCUMULATED AND ANNUALISED PERFORMANCE IN EUR (GROSS, IN %)²

	1 month	2026 YTD*	2025 YTQ*	1 year	3 years	5 years	10 years	since 01.10.13
Accumulated	+0.3 %	+0.3 %	+2.3 %	+2.4 %	+8.6 %	+4.1 %	+14.8 %	+26.4 %
Annualised				+2.4 %	+2.8 %	+0.8 %	+1.4 %	

Source: Depositary and Flossbach von Storch, status: 31.01.26

EXPLANATORY NOTES REGARDING PERFORMANCE

Gross fund performance (BVI method) takes into account all costs incurred at fund level (for example, management fees), net fund performance also takes into account the subscription fee. Further costs may be charged individually at customer level (e.g. custody fees, commissions and other charges). Example calculation (net method): An investor wishes to buy shares with capital of €1,000. Based on a maximum subscription fee of 5 %, € 50 will be deducted from their investment as a one-off initial charge. In addition, custody fees may also be applied, which will further reduce the investor's return. The level of custody fees can be found in your bank's schedule of fees and services. **Please refer to the cost details presented in this document to determine the maximum subscription fee for the share class of the sub-fund.** The reference index is merely informative. It does not constitute any obligation from the fund manager to track the index or achieve the same performance. **Past performance is not a reliable indicator of future performance.**

FUND DETAILS

Securities ID No. (WKN)	A2P9FU
ISIN	LU2207302121
Valor number	56089254
Domicile	Luxembourg
SFDR Category	Article 8
Share class	HT
Fund currency	EUR
Share class currency	EUR
Launch date	22 July 2020
Financial year end	30 September
Income utilisation	Accumulating
Authorised for distribution	AT, CH, DE, LI, LU
Fund type	UCITS / FCP
Fund assets	EUR 568.60 million
Redemption price	EUR 104.12
Minimum initial investment	none
Minimum subsequent investment	none
Costs¹	
Ongoing charges	0.58 % p.a.
which includes a management fee of	0.42 % p.a.
Transaction costs	0.07487 % p.a.
Performance fee	none
Redemption fee	0.00 %
Exchange commission (based on the unit value of the units to be purchased for the benefit of the relevant distributor)	0.00 %
Subscription fee	0.00 %

MANAGEMENT COMPANY

Flossbach von Storch Invest S.A.
2, rue Jean Monnet
2180 Luxembourg, Luxembourg
www.fvsinvest.lu

DEPOSITARY

BNP PARIBAS, Succursale de Luxembourg
60, avenue J.F. Kennedy, L-1855 Luxembourg, Luxembourg

¹ In addition to the management fee, the fund is charged further costs such as transfer agent fees, transaction costs, and various other charges. Further information about ongoing and one-off costs can be found in the key information document (PRIIP-KID), the sales prospectus, and the most recent annual report.

² Until 22 July 2020, the performance was simulated using the performance of the I share class (LU0952573052) of the Flossbach von Storch - Der erste Schritt sub-fund. Any differences in the remuneration structure were taken into account in the simulation. Both the I share class and the HT share class have the same investment policy. As of 23 June 2023, the sub-fund "Flossbach von Storch – Der erste Schritt" has been renamed "Flossbach von Storch – Bond Defensive". The investment strategy was changed as of 30 September 2023.

* YTD: Most recent month-end performance since the beginning of the year
YTQ: Performance since the beginning of the year to the end of the most recent quarter

Flossbach von Storch - Bond Defensive - HT

TOP 10 GUARANTORS OVERALL FUND LEVEL (IN %)

1.	Kingdom of the Netherlands	8.23 %
2.	Republic of Germany	7.04 %
3.	Kingdom of Spain	6.87 %
4.	Republic of Finland	6.58 %
5.	Republic of Austria	6.23 %
6.	United States of America	5.53 %
7.	Kingdom of Belgium	3.64 %
8.	Commerzbank AG	2.91 %
9.	Landwirtschaftliche Rentenbank	2.86 %
10.	ING Groep N.V.	2.54 %
Total		52.43 %

Source: Depositary and Flossbach von Storch, status: 31.01.26

The portfolio currently contains 140 securities.

TOP 10 SECTORS (IN %)*

1.	Consumer Discretionary	24.36 %
2.	Health Care	18.54 %
3.	Consumer Staples	15.72 %
4.	Utilities	12.00 %
5.	Information Technology	7.68 %
6.	Industrials	6.39 %
7.	Materials	4.26 %
8.	Financials	4.22 %
9.	Communication Services	3.46 %
10.	States	3.36 %
Total		99.99 %

Source: Depositary and Flossbach von Storch, status: 31.01.26

* refer to corporate bonds

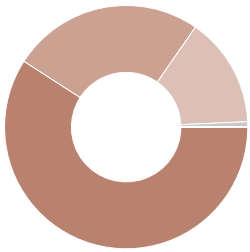
CREDIT RATING FOR BONDS (IN %)

AAA	44.69 %
AA	29.48 %
A	18.30 %
BBB	7.53 %

Source: Depositary and Flossbach von Storch, status: 31.01.26

A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

ASSET ALLOCATION (IN %)



- 59.11 % Government bonds
- 25.53 % Corporate bonds
- 14.65 % Covered bonds
- 0.65 % Cash
- 0.06 % Other (incl. derivatives)

Source: Depositary and Flossbach von Storch, status: 31.01.26

KEY FUND FIGURES

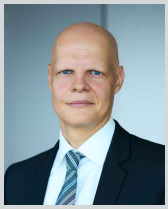
Average Yield to Maturity	2.30 %
Duration	2.55 years

Source: Depositary and Flossbach von Storch, status: 31.01.26

MONTHLY COMMENTARY

At the start of the month, tariff announcements by US President Donald Trump amid tensions over Greenland initially boosted prices of euro bonds with short and medium maturities – before talks on the sidelines of the World Economic Forum eased tensions and led to higher yields again. In the second half of the month, attention focused primarily on the prospect of significant fiscal stimulus in Japan (in the wake of the announcement of new elections) and the nomination of Kevin Warsh as Fed Chair successor by US President Donald Trump. Both factors caused a slight steepening of the euro yield curve. Overall, two-year German Bunds were around three basis points (bps) lower month-on-month, while 30-year maturities were around two bps higher. In terms of spread products, covered bonds continued to outperform German Bunds, as did Italian and French government bonds, with the latter benefiting from a short-term agreement on the 2026 budget. While this provides short-term political relief, a budget deficit of around 5% of gross domestic product (GDP) remains an enormous structural burden. Despite this overall volatile market environment, the Fund achieved a positive performance in January. We actively used yield movements, particularly in the short and medium-term maturity range, to make tactical adjustments. In the wake of geopolitical tensions and the rally in bonds, we initially took profits and reduced duration by around 10%. With yields subsequently rising slightly, we increased duration back to our moderately aggressive level of 2.6. In spread products, we remain predominantly positioned in high-quality covered bonds and corporate bonds.

FUND MANAGEMENT



Marcel Bross

Fund manager
at Flossbach von Storch since 2021.

Team Fixed Income

Deputy and operational collaboration is conducted through our Fixed Income Team.

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OPPORTUNITIES

+ Participate in global bond market growth.
+ Income can be generated from regular interest payments.
+ Active interest rate, currency and risk management (e.g. from the use of derivatives).

RISKS

- The securities in which the Management Company invests the sub-fund assets present opportunities for gain but also the possibility of risk. ESG criteria can restrict the selection of target investments in terms of category and number, sometimes considerably. If a sub-fund invests directly or indirectly in securities and other assets, it is subject to many general trends and tendencies, which are sometimes attributable to irrational factors on the markets particularly on the securities markets. Losses can occur when the market value of the assets decreases as against the cost price. If a unitholder sells units of the sub-fund at a time at which the value of assets in the sub-fund has decreased compared with the time of the unit purchase, he will not receive the full amount he has invested in the sub-fund. Despite the fact that each sub-fund aspires constant growth, this cannot be guaranteed.
- Country, credit and issuer liquidity risk. Also potential exchange rate risks. If securities are illiquid (i.e. thinly traded), there is a risk that it may either not be possible to sell the assets at all or only by accepting a significant discount on the sale price.
- Investing in bonds may entail price risks, especially in case of rising interest rates on the capital markets.
- Where used, derivatives can have a greater negative impact on the fund value than would be the case if the assets were acquired directly. This can affect the fund's risk profile and volatility (tendency for the price to fluctuate).

Please read the Prospectus and particularly the RISK WARNINGS section and the specific annex of the subfund to understand the risks and benefits of this product.

INVESTOR PROFILE

CONSERVATIVE:

The fund is appropriate for conservative investors. Due to the composition of the net sub-fund assets, there is a moderate degree of risk but also a moderate degree of profit potential. The risks may consist in particular of currency risk, credit risk and price risk, as well as market interest rate risks.

INVESTMENT HORIZON:

Medium-term: 3 to 5 years

RISK INDICATOR

Lower risk — Higher risk

1	**2**	3	4	5	6	7

The risk indicator assumes you keep the product for 3 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator 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. We have classified this product as 2 out of 7, which is a low risk class. This rates the potential losses from future performance at a low level, and poor market conditions are very unlikely to impact our capacity to pay you. Unusual market conditions could arise, for example, due to currency, creditworthiness, price, counterparty, liquidity and interest rate risks, as detailed in the sales prospectus.

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The units/shares issued by this fund may only be offered for purchase or sold in jurisdictions in which such offer or sale is permitted. Accordingly, the units/shares of this fund must not be offered for purchase or sold neither within the USA nor to or for the account of US citizens or US persons domiciled in the USA. Additionally, the units/shares issued by this fund must not be offered for purchase or sold to "US-Persons" and/ or entities, which are owned by one or more "US-Persons" based on the definitions set out in the "Foreign Account Tax Compliance Act (FATCA)". This document and the information contained herein must not be distributed in the USA. The distribution and publication of this document as well as the offer or sale of the fund's units/shares may also be subject to restrictions in other jurisdictions.

The latest net asset value (NAV) of the fund can be obtained from the management company's website.

Past performance is not a reliable indicator of future performance.

The document issued in German is legally binding. This English translation is only for the purpose of convenience.

A comprehensive glossary of topics and terms (in German) can also be found at http://www.flossbachvonstorch.com/glossar/.

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