

# Key Investor Information

This document provides you with key investor information about this Sub-Fund. It is not marketing material. The information is required by law to help you understand the characteristics of this Sub-Fund and the risks of investing in it. You are advised to read it so you can make an informed decision about whether to invest.



## Bond Emerging Markets Corporates Short Term (the "Sub-Fund") is a Sub-Fund of Swiss Life Funds (LUX) (the "Fund")

(EUR) I hedged - Cap - ISIN LU1681198872

The Fund is managed by Swiss Life Asset Managers Luxembourg (the Management Company).

### OBJECTIVES AND INVESTMENT POLICY

#### Objectives

The sub-fund aims to maintain capital and generate a consistent return.

#### Investment policy

The sub-fund invests in various bonds issued by companies from emerging markets, as defined by World Bank, International Monetary sub-fund or by own assessments. The bonds enjoy good credit and solvency ratings. There are clear rules for correction in case of downgrading of the bonds. The asset manager will use ratings from official rating agencies or its own ratings. These investments primarily earn regular interest income. The Investments will primarily be made in US Dollars, but may also be in local currencies. Though these currencies will be hedged against the sub-fund currency. At least two-thirds of sub-fund assets are invested in line with these provisions. The sub-fund may not invest more than one-third of its assets in other financial instruments.

The sub-fund invests in and/or is exposed to a diversified portfolio of fixed and variable interest and short-term debt securities issued by emerging markets corporate borrowers.

The sub-fund is actively managed and uses the JP Morgan CEMBI I+ 1-3y TR (EUR hedged) as a reference index. The sub-fund does not seek to track its reference index and the investment holdings may deviate from those of the index. Indeed the portfolio manager has discretion over the composition of its portfolio, subject to the stated investment objectives, policy and restrictions. The portfolio manager may use its discretion to invest in companies or sectors not included in the reference index in order to take advantage of specific investment opportunities.

The sub-fund may not invest in equities. Investments in other sub-fund are limited to 10% of assets. Investments in convertible securities are limited to 25% of assets.

To achieve its aim, the sub-fund may use financial instruments whose prices depend on the performance of other financial instruments (derivatives).

The sub-fund can lend securities to third parties to achieve efficient management of assets, using various lending techniques.

#### Specific Information on the shares

You can request the sale of your shares on a daily basis, except in certain circumstances (see prospectus).

No dividends are intended to be distributed. Any income derived from the portfolio is reinvested.

This EUR share class is hedged against the Sub-Fund's currency, USD.

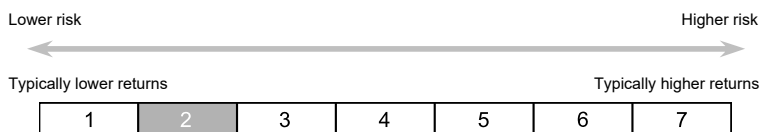
This share class is reserved to institutional investors.

Recommendation: This Sub-Fund may not be appropriate for investors who plan to withdraw their money within 3 years.

#### Definitions

**Actively managed Sub-Fund:** One where the manager has discretion over the composition of its portfolio, subject to the stated investment objectives and policy.

### RISK AND REWARD PROFILE



#### Meaning of the risk and reward indicator

The risk indicator aims to provide you a measure of the price movement of the shares. This category 2 means that the share price has a low price movement and therefore the risk of loss as well as the expected reward can be small. The lowest category does not mean a "risk free" investment.

Historical data may not be a reliable indication for the future. The risk indicator shown is not guaranteed and may change over time. There is no capital guarantee or protection on the value of the Sub-Fund.

#### Reason why the Sub-Fund is classified in this risk category

The investment in emerging markets corporate bonds is to ensure the income. They include typically above-average market risk, because they can have a reduced credit rating. On the other hand, they bear an above-average interest rate. The credit risk is monitored. Despite this, extensive losses can occur. Currency hedging can have both positive and negative effects on the risk and reward profile.

**The following risks may not be fully captured by the risk indicator and may be materially relevant for this Sub-Fund:**

**Management risk:** The risk that portfolio management techniques that have worked well in normal market conditions prove ineffective during unusual conditions.

**Liquidity risk:** The risk that one or more of the funds investments could become hard to value, or to sell at a desired time and price.

**Derivatives risk:** The risk that certain derivatives could behave unexpectedly or could expose the fund to losses that are significantly greater than the cost of the derivative.

**Emerging Market risk:** The risk arising from investment in Emerging Markets. These markets carry a higher risk of financial loss than those of countries regarded as developed due to political instability, currency volatility and limited equity opportunities.

**Operational risk:** The risk of failures or delays in operational processes may negatively affect the Fund.

**Custody Risk:** The custody of assets, particularly abroad, may involve a risk of loss arising from the possibility that the custodian or sub-custodian becomes insolvent, breach duties of due care or engages in abusive conduct.

Further investment risks are set out in the risk section of the prospectus.

## CHARGES

The charges you pay are used to pay the running costs of the Sub-Fund, including the costs of marketing and distributing it. These charges reduce the potential growth of your investment.

One-off charges taken before or after you invest:	
Entry charge	5.00%
Exit charge	None
This is the maximum that might be taken out of your money before it is invested and/or the proceeds of your investment are paid out. Please refer to your financial advisor or distributor for the actual charges.	
Charges taken from the Sub-Fund over a year:	
Ongoing charges	0.53%
Charges taken from the Sub-Fund under certain specific conditions:	
Performance fee	None

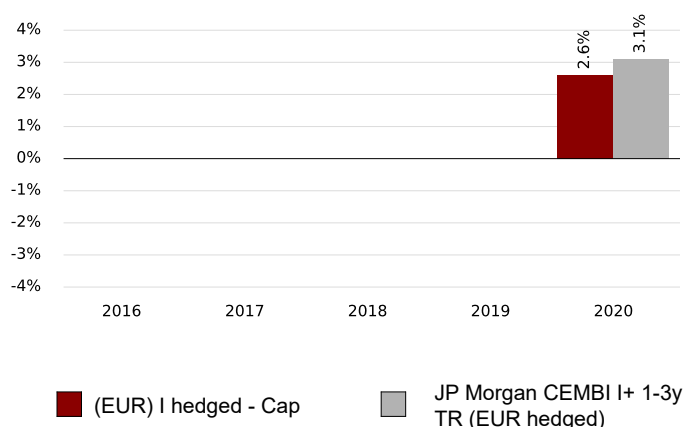
The ongoing charges figure is based on expenses for the year ending 31 August 2020. This figure may vary from year to year.

Ongoing charges do not include the following:

- performance fees; and
- portfolio transaction costs, except in the case of an entry/exit charge paid by the Sub-Fund when buying or selling units in another collective investment undertaking.

For more information on charges, please refer to the prospectus which is available at [www.funds.swisslife-am.com](http://www.funds.swisslife-am.com).

## PAST PERFORMANCE



- The performance diagram shown is not a reliable indication of future performance.
- Annual performance is calculated after deduction of the costs charged to the Sub-Fund.
- The Sub-Fund was created in 2017.
- The share class (EUR) I hedged - Cap was launched in 2019.
- Past performance has been calculated in EUR.
- The performance of the Sub-Fund is not linked to the performance of the benchmark. The benchmark is to be used purely as a comparator.

## PRACTICAL INFORMATION

- **Management Company:** Swiss Life Asset Managers Luxembourg.
- **Depository:** Société Générale Luxembourg.
- **Documentation:** Further information about the Sub-Fund including the prospectus, most recent financial statements, latest prices of the shares are available free of charge at [www.funds.swisslife-am.com](http://www.funds.swisslife-am.com) or at the registered office of the Management Company.
- **Remuneration policy:** The remuneration policy details are available on the website of the Management Company at [www.funds.swisslife-am.com](http://www.funds.swisslife-am.com) and includes without limitation a description of (i) the calculation of, and (ii) the persons responsible for awarding, the remuneration and benefits of its staff. A hard copy of the remuneration policy statement is available free of charge upon request.
- **Tax:** Your taxation regime, which may depend on your citizenship, residency or nationality, might have an impact on your investment. For further details, please contact your financial adviser before investing.
- **Liability:** The Management Company 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.
- **Segregation of Sub-Funds:** The Fund offers several Sub-Funds whose assets and liabilities are legally segregated from each other. The prospectus and financial statements are prepared for the Fund as a whole.
- **Exchange of shares:** You may be allowed to exchange the shares in this Sub-Fund into shares of another share class or of another Sub-Fund in the Fund (if any). To verify this possibility, please refer to the prospectus.

This Fund and the Management Company are authorised in Luxembourg and regulated by the Commission de Surveillance du Secteur Financier. This key investor information is accurate as at 19.02.2021.