Flossbach von Storch

Flossbach von Storch - Bond Defensive - R [2]

CATEGORY: BONDS AND CONVERTIBLES
Data as per 28 February 2026

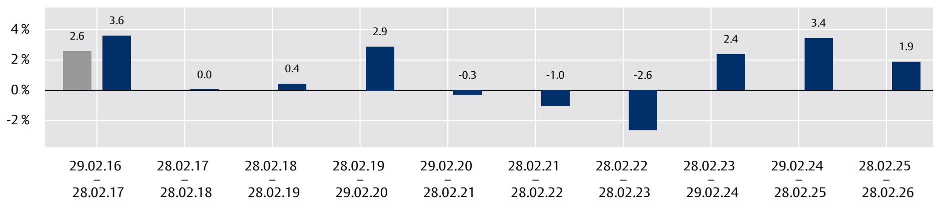
INVESTMENT STRATEGY

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).

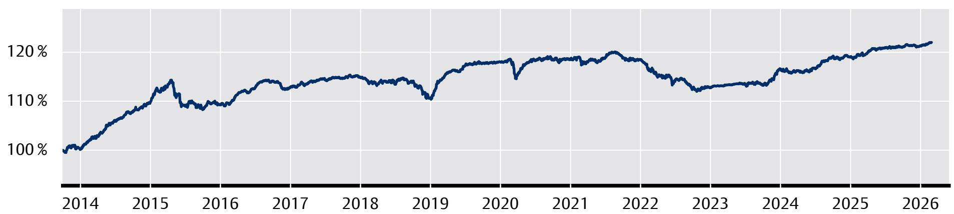
For detailed information on the objectives and investment policy, please refer to the most recent sales prospectus and the Key Information Document (PRIIP-KID).

ANNUAL PERFORMANCE IN EUR (IN %)



Share class (net) in consideration with the maximum issue surcharge of 1 %
Share class (gross)

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



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

	1 month	2026 YTD*	2025 YTQ*	1 year	3 years	5 years	10 years	since inception 01.10.13
Accumulated	+0.3 %	+0.6 %	+2.0 %	+1.9 %	+7.9 %	+3.9 %	+11.0 %	+22.0 %
Annualised				+1.9 %	+2.6 %	+0.8 %	+1.0 %	

Source: Depositary and Flossbach von Storch, status: 28.02.26

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)	A1W17W
ISIN	LU0952573136
Valor number	21968021
Domicile	Luxembourg
SFDR Category	Article 8
Share class	R
Fund currency	EUR
Share class currency	EUR
Launch date	1 October 2013
Financial year end	30 September
Income utilisation	Distribution
Authorised for distribution	AT, CH, DE, ES, LI, LU, PT
Fund type	UCITS / FCP
Fund assets	EUR 567.17 million
Redemption price	EUR 108.50
Minimum initial investment	none
Minimum subsequent investment	none
Costs[1]	
Ongoing charges	0.88 % p.a.
which includes a management fee of	0.72 % 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)	up to 1.00 %
Subscription fee	up to 1.00 %

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] **The performance until 23th January 2018 refers to the investment strategy of the subfund "Flossbach von Storch - Bond Total Return". As of 24 January 2018, the sub-fund "Flossbach von Storch - Bond Total Return" has been renamed "Flossbach von Storch – Der erste Schritt". Simultaneously, the investment strategy has changed. 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 - R

TOP 10 GUARANTORS OVERALL FUND LEVEL (IN %)

1.	Kingdom of the Netherlands	7.06 %
2.	Republic of Germany	7.00 %
3.	Kingdom of Spain	6.99 %
4.	United States of America	5.61 %
5.	Republic of Austria	5.28 %
6.	Republic of Finland	5.16 %
7.	ING Groep N.V.	3.37 %
8.	Porsche Automobil Holding SE	3.24 %
9.	Landwirtschaftliche Rentenbank	2.88 %
10.	ABN AMRO Bank N.V.	2.52 %
Total		49.11 %

Source: Depositary and Flossbach von Storch, status: 28.02.26

The portfolio currently contains 145 securities.

TOP 10 SECTORS (IN %)*

1.	Consumer Discretionary	23.50 %
2.	Consumer Staples	17.39 %
3.	Health Care	16.31 %
4.	Utilities	13.56 %
5.	Information Technology	6.22 %
6.	Industrials	5.21 %
7.	Financials	5.16 %
8.	Materials	4.88 %
9.	Communication Services	2.82 %
10.	States	2.74 %
Total		97.79 %

Source: Depositary and Flossbach von Storch, status: 28.02.26

* refer to corporate bonds

CREDIT RATING FOR BONDS (IN %)

AAA	42.60 %
AA	25.67 %
A	21.11 %
BBB	10.63 %

Source: Depositary and Flossbach von Storch, status: 28.02.26

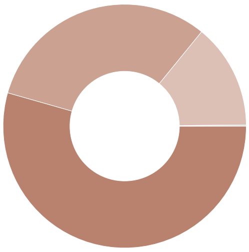
A simplified ratings scorecard is used when determining the rating. Trends (+/-) are not taken into account in this process. Convertibles are not considered.

KEY FUND FIGURES

Average Yield to Maturity	2.30 %
Duration	2.40 years

Source: Depositary and Flossbach von Storch, status: 28.02.26

ASSET ALLOCATION (IN %)



54.43 % Government bonds
31.50 % Corporate bonds
13.95 % Covered bonds
0.13 % Cash
-0.02 % Other (incl. derivatives)

Source: Depositary and Flossbach von Storch, status: 28.02.26

MONTHLY COMMENTARY

In February, increasing geopolitical tensions and, once again, central banks were the focus of attention on the global bond markets. While the European Central Bank (ECB) left its key interest rate unchanged for the time being, ECB President Christine Lagarde and leading ECB members signalled that risks are increasingly being viewed as more balanced, and that a persistently strong euro could dampen inflation. On the other side of the Atlantic, the Supreme Court of the United States ruled that certain tariffs imposed by the government were unlawful in part. President Donald Trump responded by introducing new global tariffs of up to 15% (for specific products over the next 150 days). From a market perspective, however, the escalating geopolitical tensions between the United States and Iran towards the end of the month proved even more significant. Amid concerns about a global escalation and somewhat weaker economic data overall, yields on euro and US bonds initially fell significantly towards the end of the month – by just under 20 basis points (bps) for five-year German Bunds and by almost 30 bps for US Treasuries with the same maturity. Thanks to our aggressive duration positioning, we were able to benefit from this pronounced rally in the portfolio through corresponding price gains (in addition to current income). We used the decline in yields to take profits and reduced our duration from around 2.6 years at its peak to approximately 2.3 years. We slightly increased our allocation to covered bonds and high-quality corporate bonds following the slight underperformance of spread products. To optimise current income amid the ECB's ongoing pause, we also made additional purchases of solid cyclicals with maturities of one to two years without (significantly) increasing credit sensitivity.

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 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.

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The publication 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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