# Key Investor Information

RATHBONES ASSET MANAGEMENT

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

## Rathbone Strategic Bond Fund (I Inc)

Fund Manager: Rathbones Asset Management Limited

I Inc ISIN GB00B6ZS1L87

### Objectives and investment policy

The objective of the fund is to deliver a greater total return than the IA Sterling Strategic Bond sector, after fees, over any rolling five-year period. We aim to deliver this return with a lower volatility than the IA Sterling Strategic Bond sector. There is no guarantee that this investment objective will be achieved over five years, or any other time period. We use the IA Sterling Strategic Bond sector as a target for our fund's return because we aim to achieve a better return than the average of funds that are similar to ours. We aim to limit the amount of volatility risk our fund can take because we want our investors to understand the risk they are taking compared to funds similar to ours.

To meet the objective, the fund manager will invest in government and corporate bonds, with no restriction on their credit quality. Up to 10% of the fund can be invested directly in contingent convertible bonds. The fund will also use a mixture of specialist funds and direct investment in bonds, with no limits on either. The fund may invest globally but at least 80% of the portfolio will be invested in sterling denominated assets or hedged back to sterling. Derivatives may be used by the fund for investment purposes, efficient portfolio management and hedging. The use of derivatives for investment purposes may increase the volatility of the fund's Net Asset Value and may increase its risk profile. The fund manager defines restrictions on how much of the fund can be invested in different types of bonds. The restrictions are set at the discretion of the fund manager and will change over time. The restrictions are reviewed annually and in response to market events. During extreme market conditions the fund may invest solely in UK government bonds to protect investments. Current restrictions are:

- Government Bonds (AAA to C grade) between 5% and 90%, typically around 50%;
- UK* government bonds between 2.5% and 22.5%, typically around 12.5%;
- UK* inflation-linked government bonds between 2.5% and 22.5%, typically around 12.5%;
- Global# developed government bonds excluding UK between 0% and 20%, typically around 10%;
- Global# emerging market government bonds between 0% and 25%, typically around 15%;
- Investment grade corporate bonds (AAA to BBB- grade) between 0% and 55%, typically around 35%;
- UK* corporate bonds between 15% and 35%, typically around 25%;
- Global# corporate bonds between 0% and 20%, typically around 10%;
- High yield corporate bonds (BB+ to C grade) between 0% and 35%, typically around 15%;
- Global^ high yield bonds between 5% and 25%, typically around 15%;
- Distressed debt between 0% and 10%, typically 0%.

**GBP denominated #non-GBP denominated ^includes all currencies.*

Our fund is designed for investors with a basic knowledge of bonds who seek income and growth. You should intend to invest for longer than five years, understand the risks of our fund and have the ability to bear a capital loss. For definitions please visit the glossary on our website. You can buy and sell units on each business day of the fund between 9am and 5pm.

Any income arising in relation to this unit class will be distributed to investors on a regular basis.

We actively manage our fund, which means we can choose what we invest in as long as it's in line with the investment objective and policy. Because of this, our fund's performance can diverge significantly from its benchmarks over shorter periods of time and therefore isn't appropriate for investors who plan to withdraw their money within 5 years.

### Risk and reward profile

Typically lower rewards, Lower risk

Typically higher rewards, Higher risk

These numbers rate how the Fund may perform and the risk of losing some or all of your investment. In general the potential for higher returns also implies a higher level of risk.

This indicator is a measure of the fund's past volatility (the extent and rapidity of up-and-down movements of the value of an investment). It may not be a reliable indication of the fund's future risk. The risk category shown is not a target or a guarantee and may change over time.

The risk category is calculated using historical data and may not be a reliable indicator of the Fund's future risk profile. The risk category shown is not guaranteed and may change over time.

However, the lowest category (1) does not mean a risk free investment.

During unusual market conditions, the risks normally experienced by the fund may increase significantly, and in addition, the fund may be subject to the following risks:

**Credit risk:** Bonds that we own can become more or less creditworthy and will fluctuate in value resulting in gains or losses. Bonds that we own may fail to meet their legal obligations, such as missing an interest payment. This is known as a 'default' and will result in a loss.

**Interest Rate Risk:** Most bonds pay us a fixed amount over an agreed period of time. If interest rates rise these bonds become less valuable and we may be locked into an unfavourable investment. If interest rates fall these bonds become more valuable.

**Counterparty risk:** A company that we deal with may renege on its obligations, costing you money.

**Liquidity risk:** Some assets become hard to sell at their expected price, especially in times of market stress. This could mean we have to sell assets below their expected price resulting in a loss. In extreme circumstances, we may suspend the fund to protect your investment, resulting in you being unable to access your money.

**Management risk:** People make the investment decisions for our fund. If they make unfavourable decisions, you could lose money.

**Operational risk**: We rely on complex systems to ensure that trades are completed, our fund's assets are accounted for and that you can buy or sell our fund. If our systems fail, you could be inconvenienced or lose money.

**Derivatives risk:** Sometimes we invest in financial contracts or assets with similar exposures, such as structured products and currency hedging. These assets can be used to offset risks or meet other objectives, however market moves can cause these assets returns not to align with those objectives and can result in losses or gains.

**Currency risk:** We own assets valued in a currency other than sterling. Changes in the price of foreign currencies can result in gains or losses, even if underlying asset prices stay the same.

The risk indicator for this fund reflects the following:

- The emphasis on income helps the manager to maintain a moderate risk profile for the fund.

## Charges

| One-off charges taken before or after you invest | |
|---|---|
| Entry Charge | 0.00% |
| Exit Charge | 0.00% |
| **This is the maximum that might be taken out of your money before it is invested or before the proceeds of your investment are paid out.** | |
| **Charges taken from the fund over a year** | |
| Ongoing Charges | 0.56% |
| **Charges taken from the Sub-Fund under certain specific conditions.** | |
| Performance Fee | None |

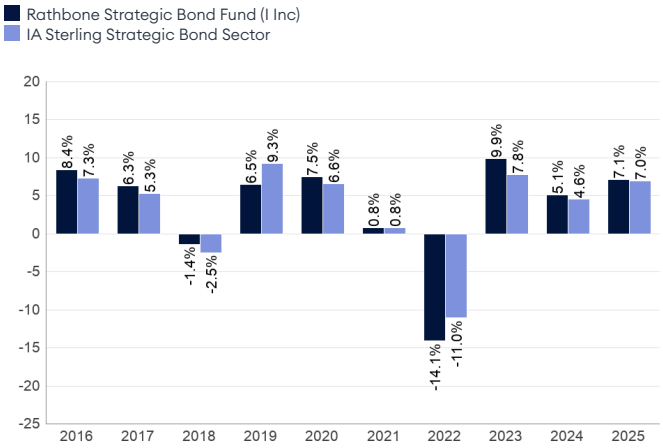
The Fund does not charge entry or exit charges.

For more information about charges, please see the "Charges" section of the fund's Prospectus, available by calling the Information Line or emailing RAM@Rathbones.com.

The charges you pay are used to pay for the costs of running the Fund, including the costs of managing and distributing it. These charges reduce the potential growth of your investment. The fund manager receives an annual fee, which is included in the ongoing charges shown. Ongoing charges are the same for all investors in the same class. The charges shown are based on actual fees and expenses. The ongoing charges figure excludes portfolio transaction costs.

The value of investments in the fund and the income from them may go down as well as up and you may not get back your original investment when you sell your units.

## Past performance




The performance of this Class is calculated in GBP

This share class launched on 03 October 2011.

The Fund launched on 03 October 2011.

Past performance should not be seen as an indication of future performance. Basis of performance: Price performance based upon mid to mid price. Past performance is reported on a full calendar year basis.

## Practical information

**Depositary:** NatWest Trustee and Depositary Services

**Tax:** Investors should note that the tax legislation that applies to the fund may have an impact on the personal tax position of their investment in the fund. Contact your adviser to discuss tax treatment and the suitability of this investment.

**Additional information:** This Key Investor Information Document (KIID) may not contain all the information you need. For additional information on the fund (including the Supplementary Information Document), and on other funds, or to obtain a free copy of the fund's Prospectus or the annual and semi-annual unit holder reports, call the Information Line or write to the registered office, at the address below. The Prospectus and unit holder reports are in English.

For fund performance and most recent unit price, go to www.rathbones.com/am.

The up-to-date remuneration policy of the fund manager, including, but not limited to, a description of how remuneration and benefits are calculated, the identity of persons responsible for awarding the remuneration and benefits, including the composition of the remuneration committee, is available free of charge upon request at the fund manager's registered office. A summary thereof is available on https://www.rathbones.com/en-gb/remuneration-policy

**Notices:** Rathbones Asset Management Limited 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 for the fund. The assets of each of our funds are segregated, meaning that each fund is insulated from any losses or claims associated with other funds.

**Address:** Rathbones Asset Management Limited, 30 Gresham Street, London, EC2V 7QN
**Information line:** 02073990399
**Telephone:** 02073990000
**Facsimile:** 02073990057
**Email:** RAM@Rathbones.com
**Website:** www.rathbones.com/am

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