

# KEY INVESTOR INFORMATION



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.

## Emerging Markets Fixed Income (the "Sub-Fund") is a Sub-Fund of Mediolanum Best Brands (the "Fund").

Mediolanum Emerging Markets Fixed Income L Hedged Class A Units ("LHA Class") - ISIN: IE00BJYLJD74

Mediolanum Emerging Markets Fixed Income L Hedged Class B Units ("LHB Class") - ISIN: IE00BJYLJF98

Mediolanum International Funds Limited (part of the Mediolanum Banking Group) is the Manager of the Fund.

## Objectives and Investment Policy

- The Sub-Fund's objective is to achieve capital growth and maximise earnings over a medium-long term investment horizon.
- The Sub-Fund invests primarily in emerging markets fixed income securities (such as bonds issued by companies or governments) issued in Euro, USD or local currencies. These investments may be made directly and/or indirectly (by investing in funds and/or derivatives).
- The fixed income securities invested in may be rated investment grade (by a generally recognised international rating agency), below investment grade or unrated.
- The Sub-Fund may use financial derivative instruments (FDIs) whose performance is linked to that of underlying security(s) or asset class(es). Their use may be for efficient portfolio management, hedging and/or direct investment purposes.
- The Sub-Fund is actively managed (meaning that the Manager has full discretion over the composition of the Sub-Fund's portfolio of assets) and is not managed with reference to any benchmark.
- The Manager has flexibility to change the Sub-Fund's asset allocation (% of the portfolio invested in bonds/FDIs etc) at any time and has discretion to select investments within each asset class.
- The Sub-Fund is appropriate for investors with a medium-long term investment horizon.
- The product is compatible with investors that can bear and/or afford to fully or partially lose the capital invested and are comfortable with no capital guarantee.
- FDIs are used to remove the impact of exchange rate movements (hedging) which may affect the value of this Class of Units.
- All income and gains generated by the LHA Class of Units will be reinvested. No dividends will be paid.
- Income and gains generated by the LHB Class of Units will be distributed periodically in the form of a dividend.
- Units can be bought or sold on any business day from the Fund's Administrator.
- Please refer to the Prospectus and Sub-Fund Information Cards, in the sections titled 'Investment Objectives and Policies' for more detailed information.

## Risk and Reward Profile



- The risk category is based on historical data and may not be a reliable indication for the future.
- It is not guaranteed and may change over time.
- The lowest category does not mean 'risk free' investment.
- The Sub-Fund is classified in the risk category above due to the nature of its investments. The risk level is measured by the volatility of the Sub-Fund's past returns (or from the past returns of a suitable model portfolio if a full 5 year history is unavailable).
- The sub-fund invests in sufficiently liquid markets although, under stressed market conditions, it may only be able to sell assets at a discount.
- Emerging market securities are generally more sensitive to economic and political instability, scarcity of public information, market volatility, and local regulations. Other factors include lower liquidity, higher default risk, restrictions on investments or transfer of assets, and failed/delayed delivery of securities or payments to the sub-fund.
- The sub-fund may invest in bonds issued by entities whose credit rating may be substantially below investment grade (higher risk that the issuer may be unable to fulfil its commitments). Therefore, it is more sensitive to potential or actual credit rating downgrades and changes in interest rates than higher rated fixed income securities.
- The sub-fund has a specific geographic focus which may lead to greater price fluctuations than a broader market strategy.

**The following risks are considered material and may not be fully captured by the risk and reward indicator:**

A complete description of risks is set out in the Prospectus of the Fund in the section entitled 'Risk Factors'.

## Charges

The charges you pay are used to pay the costs of running the Sub-Fund, including the costs of marketing and distributing it.

These charges reduce the potential growth of your investment.

The entry charge shown is a maximum figure. In some cases you might pay less.

As the Fund has not had a full year of performance, the ongoing charges figure is an estimated figure.

This figure may vary from year to year. It excludes:

- Performance Fees
- Portfolio transaction costs, except in the case of an entry/exit charge paid by the Sub-Fund when buying or selling units in another fund.

The maximum Switch Fee payable for each switch is half the Entry Fee applicable to the new unit.

For more information on charges and in particular the performance fees, please see the Class Information Cards in the Prospectus.

\*Please note that the Performance Fee methodology described above became effective from January 2, 2019. This figure reflects the performance fee charged in 2019.

One-Off charges taken before or after you invest:		
Entry charge	5.50%	
Exit charge	None	
This is the maximum that might be taken out of your money before it is invested.		
	IE00BJYLJD74 LHA Class	IE00BJYLJF98 LHB Class
Charges taken from the Sub-Fund over a year:		
Ongoing charge	2.19%	2.20%
Charges taken from the Sub-Fund under certain specific conditions:		
Performance Fee	Maximum fee is 1% annually, calculated as 20% of the increase of the net asset value in excess of the High-Water-Mark plus a hurdle rate of 3%.	
Actual performance fee*	0.32%	0.51%

## Past Performance

Please note there is not a complete calendar year performance available for this Share Class.

- The Sub-Fund, including LHA Class and LHB Class, was launched in 2019.

## Practical Information

- The Sub-Fund's assets are held with RBC Investor Services Bank S.A., Dublin Branch and are segregated from the assets of other sub-funds of the Fund.
- Further information about the Sub-Fund (including the current unit prices), are available at [www.mifl.ie](http://www.mifl.ie). The current prospectus, the most recent financial statements and other unit class versions of this document are available free, in the official language for each country, at [www.mifl.ie](http://www.mifl.ie), from the Distributors or by writing to Mediolanum International Funds Limited, The Exchange, George's Dock, IFSC, Dublin 1, Ireland.
- Details of the Management Company's up-to-date remuneration policy, including, but not limited to, a description of how remuneration and benefits are determined and awarded, the associated governance arrangements, and the identity of persons responsible for awarding the remuneration and benefits are available at [www.mifl.ie/products](http://www.mifl.ie/products). A paper copy is available free of charge upon request from the registered company.
- The Sub-Fund is subject to taxation legislation in Ireland, which may have an impact on your personal tax position as an investor in the Fund.
- Mediolanum International Funds 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.
- You may convert units in the Sub-Fund for units in other sub-funds of the Fund. Further information and provisions are in the Prospectus in the section titled 'Switching'.