

# SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD

## Investment Objective

Maximise total return, consisting of interest income and capital appreciation, through access to the developed high yield bond markets while promoting, amongst others, certain environmental and social characteristics in compliance with Article 8 of the Sustainable Finance Disclosure Regulation (“SFDR”). This product is actively managed and invests in global high yield bonds, principally in the USA and Europe that are typically rated lower than Baa by Moody’s or BBB by S&P or equivalently rated by Fitch. The Sub-Fund is actively managed but uses the ICE BofA Global High Yield Constrained Index (Total Return) (“HW0C”) as a reference for performance comparison. This product promotes environmental or social characteristics, but does not have as its objective sustainable investment. The Sub-Fund is suitable for institutional and wholesale investors seeking to participate in the capital market performance of an actively managed SFDR Article 8 compliant global high yield bond portfolio, who can afford to invest their capital over the long term.

## Key Facts

**Sub-Fund Inception Date** 22 March 2024  
**Portfolio Managers** Boris OKULIAR, Brian ABDELHADI, Chris MATHEWSON, Kapil SINGH  
**Investment Manager** Sumitomo Mitsui DS Asset Management Company, Limited  
**Sub-Investment Manager** Ares Capital Management II LLC  
**ISIN (F USD)** LU2710802047  
**LEI** 213800IKWO7BJPUD7M73  
**Domicile** Luxembourg  
**Fund & Type Structure** UCITS (Luxembourg SICAV)  
**Base Currency** USD  
**Reference Benchmark** ICE BofA High Yield Constrained Index (Total Return) (HW0C)  
(For performance comparison purposes and not to attain the SFDR environmental or social characteristics promoted by this Sub-Fund.)  
**Number of Holdings** circa 100-200  
**Fund AUM (MM)** USD 35.93 (as at 31/05/25)  
**Administrator** Brown Brothers Harriman (Luxembourg) S.C.A.  
**EU 2019/2088 SFDR Regs** The strategy is categorised under SFDR as Article 8. The Sub-Fund promotes environmental and social characteristics but does not have a sustainable investment objective.

## Investment Information

**Investment Management Fee**  
Founders (F) up to 0.30% p.a.  
Institutional (I) up to 0.50% p.a.  
Wholesale (A) up to 1.00 p.a.  
**Total Expense Ratio**  
Founders (F) up to 0.70% p.a.  
Institutional (I) up to 0.90% p.a.  
Wholesale (A) up to N/A p.a.  
**Trading Frequency** Weekly  
**Dealing Cut Off Time** 16:00 CET

The prospectus and the Key Information Document as well as the annual and semi-annual reports may be obtained free of charge from our website: [www.smd-am.co.uk](http://www.smd-am.co.uk)

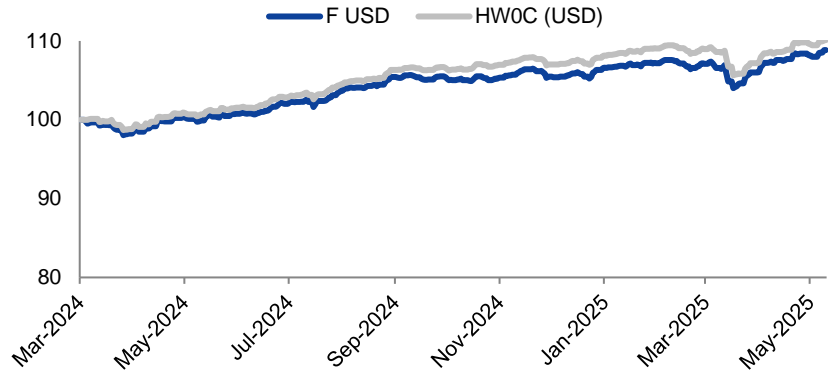
## Contacts

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## Performance %

Daily fund performance vs. reference benchmark



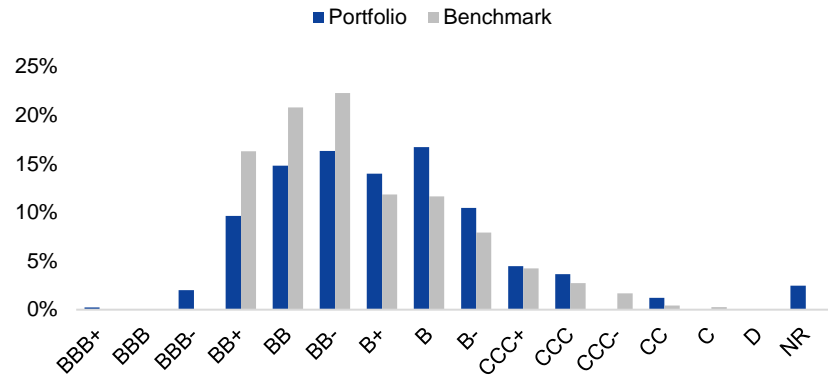
Source: SMDAM and Bloomberg, data as at 31 May 2025. Rebased to 100 at inception of the share class (22 March 2024). The chart above shows daily performance, in the currency stated for the Sub-Fund (USD) against the reference benchmark ICE BofA Global high Yield Constrained Index (Total Return) (“HW0C”) which is shown in USD. Performance is illustrated net of fees.

| Fund Performance Share Class: (F) USD |        |   |
|---------------------------------------|--------|---|
| (Net of fees)                         | Fund % | ICE BofA Global High Yield Constrained Index (HW0C) % |
| 1m                                    | 1.52   | 1.57  |
| 3m                                    | 1.19   | 0.60  |
| 6m                                    | 2.97   | 2.55  |
| 12m                                   | 8.97   | 9.38  |
| Since Inception p.a. (22/03/24)       | 7.37   | 8.41  |

Source: SMDAM, as at 31 May 2025.

**Risk warning:** Past performance is not a reliable indicator of future performance and may not be repeated. An investment’s value and the income deriving from it may fall, as well as rise, due to market fluctuations. Investors may not get back the amount originally invested. Any minor discrepancies are due to rounding. Performance is shown in USD, the return may increase or decrease as a result of currency fluctuations and is net of fees (after trading expenses).

## Credit Rating Exposures



Source: SMDAM and Ares Capital as at 31 May 2025. The exposure weights of the SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD are calculated using portfolio month-end weights.

### Portfolio Characteristics

|                                    |       |
|------------------------------------|-------|
| Current Yield                      | 5.64% |
| Yield to Maturity                  | 6.68% |
| Yield to Worst                     | 6.54% |
| Average Years to Maturity          | 4.12  |
| Effective Duration (Portfolio Ave) | 2.73  |
| Number of Issuers                  | 147   |
| Number of Holdings                 | 169   |
| Average Credit Rating (S&P)        | B+    |

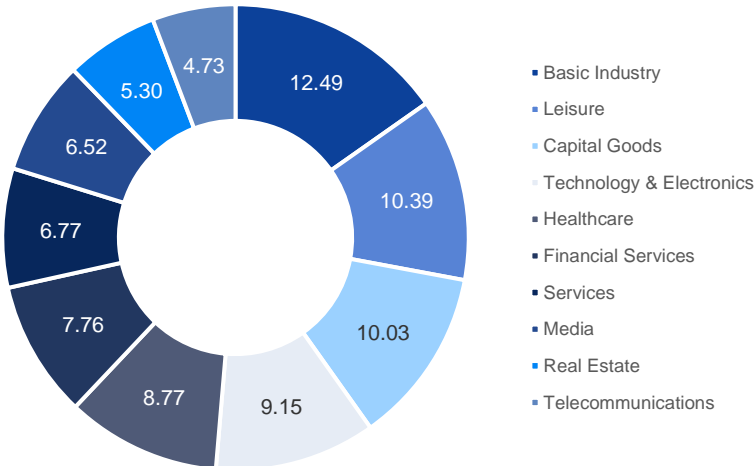
Source: SMDAM and Ares Capital, data as at 31 May 2025. Any discrepancies are due to rounding. Data shown is for the SMD-AM Ares ESG Enhanced Global High Yield Bond Fund (F) USD using portfolio month-end weights

**Risk warning:** The organisations and/or financial instruments mentioned are for reference purposes only. Material content should not be construed as a recommendation for their purchase or sale.

### Top 10 Holdings (%)

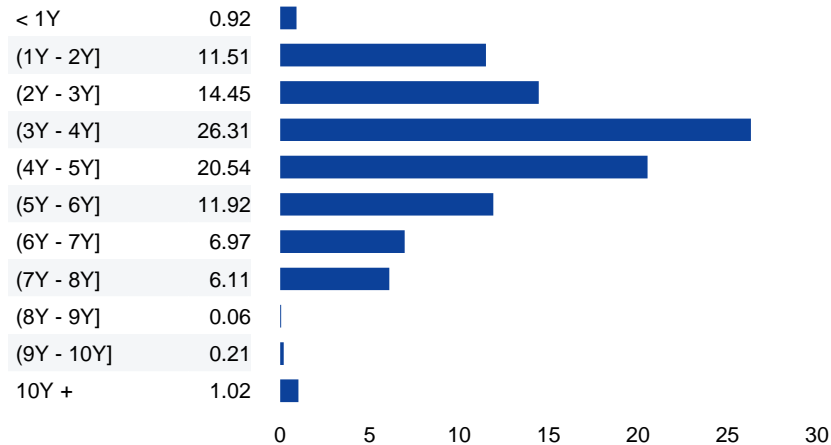
|                                       | Portfolio Weight |
|---------------------------------------|------------------|
| Community Health Systems Inc 5.63%    | 1.32             |
| Ardagh Packaging Finance PLC 4.13%    | 1.21             |
| CCO Holdings LLC 4.50%                | 1.08             |
| Howden UK Refinance PLC 7.25%         | 1.01             |
| Sealed Air Corp 6.13%                 | 1.00             |
| Cloud Software Group Inc 6.5%         | 0.99             |
| Nationstar Mortgage Holdings Inc 5.5% | 0.98             |
| LPL Holdings Inc 4.63%                | 0.98             |
| Clean Harbors Inc 4.88%               | 0.98             |
| Korn Ferry International 4.63%        | 0.97             |
| <b>Total</b>                          | <b>10.52</b>     |

### Industry Breakdown – Top 10 (%) (Merrill Lynch Industry Level 3)



Source: SMDAM and Ares Capital as at 31 May 2025

### Maturity Distribution (%)



Existing investors are invited to reach out using the link below to access further portfolio characteristics information, including holdings and attribution analysis.

Such information is typically provided on a one-month lagged basis to all investors upon request: <https://www.smd-am.co.uk/contact-us>.

## Share Classes Available

| Institutional (F & I) |                  |              |                            |                               |
|-----------------------|------------------|--------------|----------------------------|-------------------------------|
| Share Class           |                  | ISIN         | Minimum investment amount* | Subsequent investment amount* |
| F                     | USD              | LU2710802047 | USD 5,000,000              | USD 50,000                    |
| F                     | JPY Unhedged     | LU2710801403 | USD 5,000,000              | USD 50,000                    |
| F                     | EUR Unhedged     | LU2710801312 | USD 5,000,000              | USD 50,000                    |
| F                     | USD-S**          | LU2710800850 | USD 5,000,000              | USD 50,000                    |
| F                     | EUR Hedged       | LU2710802559 | USD 5,000,000              | USD 50,000                    |
| F                     | EUR-S Unhedged   | LU2710800009 | USD 5,000,000              | USD 50,000                    |
| F                     | EUR-S Hedged     | LU2710799409 | USD 5,000,000              | USD 50,000                    |
| F                     | JPY-S** Hedged   | LU2710798690 | USD 5,000,000              | USD 50,000                    |
| F                     | JPY-S** Unhedged | LU2710799151 | USD 5,000,000              | USD 50,000                    |
| F                     | JPY Hedged       | LU2710799078 | USD 5,000,000              | USD 50,000                    |
| F                     | GBP Hedged       | LU2905585571 | USD 5,000,000              | USD 50,000                    |
| F                     | GBP Unhedged     | LU2905585225 | USD 5,000,000              | USD 50,000                    |
| I                     | GBP Hedged       | LU2905585654 | USD 300,000                | USD 50,000                    |
| I                     | GBP Unhedged     | LU2905585498 | USD 300,000                | USD 50,000                    |
| I                     | USD              | LU2710801825 | USD 300,000                | USD 50,000                    |
| I                     | JPY Unhedged     | LU2710801239 | USD 300,000                | USD 50,000                    |
| I                     | EUR Unhedged     | LU2710801155 | USD 300,000                | USD 50,000                    |
| I                     | USD-S**          | LU2710800777 | USD 300,000                | USD 50,000                    |
| I                     | EUR Hedged       | LU2710800348 | USD 300,000                | USD 50,000                    |
| I                     | EUR-S** Unhedged | LU2710799821 | USD 300,000                | USD 50,000                    |
| I                     | EUR-S** Hedged   | LU2710799581 | USD 300,000                | USD 50,000                    |
| I                     | JPY-S** Hedged   | LU2710798427 | USD 300,000                | USD 50,000                    |
| I                     | JPY-S** Unhedged | LU2710798856 | USD 300,000                | USD 50,000                    |
| I                     | JPY Hedged       | LU2710798930 | USD 300,000                | USD 50,000                    |
| Wholesale (A)         |                  |              |                            |                               |
| Share Class           |                  | ISIN         | Minimum investment amount* | Subsequent investment amount* |
| A                     | USD              | LU2710801742 | USD 2,000                  | USD 1,000                     |
| A                     | EUR Unhedged     | LU2710800934 | USD 2,000                  | USD 1,000                     |
| A                     | USD-S**          | LU2710800694 | USD 2,000                  | USD 1,000                     |
| A                     | EUR Hedged       | LU2710800181 | USD 2,000                  | USD 1,000                     |
| A                     | EUR-S** Unhedged | LU2710799664 | USD 2,000                  | USD 1,000                     |
| A                     | EUR-S** Hedged   | LU2710799318 | USD 2,000                  | USD 1,000                     |
| A                     | HKD-S** Unhedged | LU2710800264 | USD 2,000                  | USD 1,000                     |
| A                     | HKD-S** Hedged   | LU2710802633 | USD 2,000                  | USD 1,000                     |

\*USD or the equivalent in other currencies

\*\*Semi-Annual Distribution

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This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID before making any final investment decisions.

The Sub-Fund is making disclosures as an Article 8 fund for the purposes of the SFDR.

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