

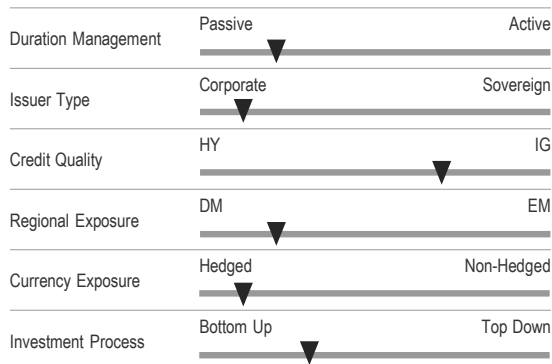
Portfolio Strategy

The Principal High Grade Capital Securities Fund aims to achieve steady income and capital preservation by predominantly investing in high-quality, euro-denominated corporate bonds. The fund benchmarks against the Bloomberg Euro Agg Bond TR EUR, with a medium to long-term investment horizon that supports consistent returns while managing risks related to interest rates and credit quality.

Key Features

Asset Manager	Principal Global Investors (Ireland) Ltd
Net Assets Value	264 (Mio Euro)
Inception Date	26/02/2024
UCITS	Yes
Base Currency	Euro
Liquidity	Daily
Share Class*	Euro Acc
Management Fees* (%)	0.50%
Performance Fees	No
CH Registered	Yes
Yield to Worst	3.6
Modified Duration	4.4
Weighted Rating	BBB+

Portfolio Style



Investment Rationale

The Principal High Grade Capital Securities Fund offers a conservative investment-grade corporate bond strategy, prioritizing capital preservation and steady income. Suitable for institutional investors and informed private clients, it serves effectively as a core fixed-income holding within diversified portfolios. Key advantages include a disciplined, active management approach and rigorous risk controls, distinguishing it from competitors.

Investment Philosophy

- The investment universe is strictly composed of investment-grade, euro-denominated corporate bonds, excluding higher-risk contingent convertible securities.
- A thorough research approach combines in-depth fundamental analysis and quantitative metrics, focusing on issuer credit fundamentals and market conditions.
- Portfolio construction emphasizes moderate holdings with significant exposure to top issuers, controlled turnover, and stability of income generation.
- Risk management is prioritized through vigilant monitoring of credit quality, duration, and adherence to established metrics, ensuring a disciplined investment process.

Fund Management Team

The management of the Principal High Grade Capital Securities Fund is led by an experienced portfolio manager recognized for stability and effective risk management. Supported by a team of analysts, the decision-making process is collaborative yet centralized, ensuring a disciplined approach to credit selection. Their collective expertise in market dynamics and regulatory frameworks contributes to the fund's strategic positioning and overall performance reliability.

Strengths

The Principal High Grade Capital Securities Fund benefits from a disciplined, active management approach that rigorously combines credit analysis with sector expertise. This proactive strategy, which emphasizes high-quality corporate bonds and avoids volatile instruments like CoCos, positions the fund favorably against peers focused on passive index replication. The fund's emphasis on investment-grade securities with a weighted rating primarily in the BBB and A categories enhances its risk-adjusted return profile, contributing to its outperformance against the benchmark. Additionally, access to Principal Global Investors' robust research capabilities and the collaboration with Spectrum Asset Management enriches the decision-making process, ensuring comprehensive market insights. The fund benefits from a transparent fee structure and governance framework inherent in regulated European environments, reinforcing investor confidence in its ability to balance risk and return effectively. This multi-faceted strength provides the fund with a competitive edge in navigating varying market conditions, appealing to institutional and informed private clients alike.

Weaknesses

Key sell triggers include significant team turnover in portfolio management, which could disrupt the investment process. Additionally, an increase in AUM beyond manageable levels might strain the fund's capacity to source quality bonds, potentially leading to style drift or unanticipated structural underperformance.

	1M	YTD	2025	2024	2023	3Y (Ann.)	5Y (Ann.)	Sharpe Ratio 3Y	Volatility 3Y	Max Drawdown 3Y
Fund	1.18	0.63	3.94							
Index	1.06	0.88	1.25	2.63	7.19	3.08	-1.46	0.04	4.25	-3.15

*ISIN Code: IE000R8LK58. ISIN used for performance: IE000R8LK58 Performance data source and Key Points provided by Wealth Solutions Partners SA. - Past performance should not be seen as an indication of future performance. Index: Bloomberg Euro Agg Bond TR EUR. Data as of: 31/05/2026