OP-EMD Local Currency Fund

31.3.2024

Basic information

Fund category
Long-term fixed income funds

Morningstar category ★★
Global Emerging Markets Bond - Local Currency

Share class
OP-EMD Local Currency B (Dist.)

ISIN
FI4000008321

Benchmark index
JP Morgan GBI-EM Global Div. Unhedged EUR

Start date	7.1.2010
SFDR Article	6
Share value	91.94 EUR
Fund size	21.9 MEUR
Ongoing costs	1.23 %
Minimum subscription	30 000 €

Fees

Subscription fee	0.50 %
Redemption fee	0.50 %
Management fee	0.65 %
Performance fee	no

Owner-customer benefits for a private customer:
- accumulates OP bonus
- subscriptions and redemptions without fees

Risk measures, 3y

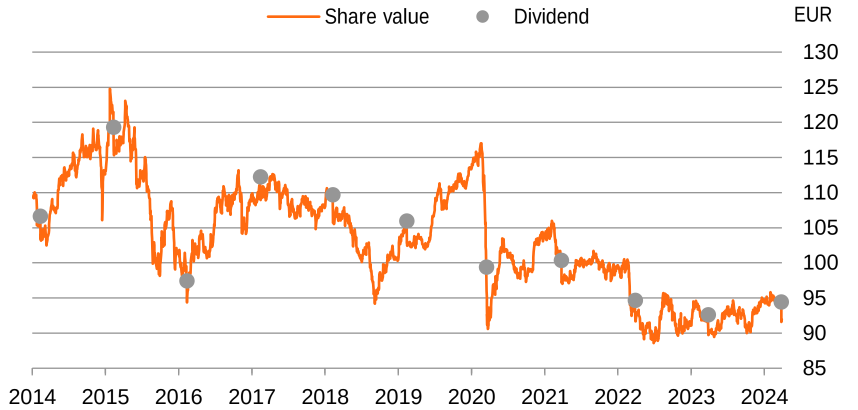
	Fund	Index
Alfa	-0.1	
Beta	1.0	
Information ratio	0.0	
Sharpe ratio	0.0	0.0
Active risk	3.4	
Volatility	7.3	6.6
Effective duration	4.7	5.2

Risk level

Higher risk	7
	6
	5
	4
	3
	2
Lower risk	1

Portfolio

Share value

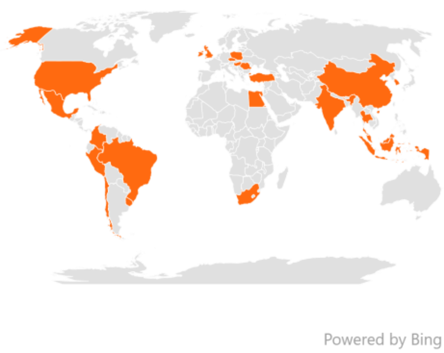


Historical returns after fees

	Fund	Index
1 month	0.2 %	0.2 %
3 months	0.1 %	0.1 %
6 months	3.8 %	3.7 %
Year-to-date	0.1 %	0.1 %
1 year	4.9 %	5.5 %
3 years p.a.	1.1 %	1.2 %
5 years p.a.	1.0 %	0.9 %
10 years p.a.	1.6 %	2.1 %

The return calculation includes dividends.

Registered domiciles



Fixed income investments

Government bonds	8.8 %
Corporate bonds	
Investment grade	
High yield	
Emerging market debt	85.6 %
Inflation linked bonds	
Convertible bonds	0.3 %
Fixed income derivatives	
Money market	0.6 %
Cash and others	5.0 %

Largest regions

Brazil	13.5 %
Malaysia	9.6 %
Poland	9.0 %
Thailand	8.8 %
Hungary	6.1 %
China	6.0 %
Peru	6.0 %
Colombia	5.8 %
Mexico	5.0 %
Czech Republic	4.9 %

Largest holdings

Government of Brazil	13.5 %
Government of Malaysia	9.6 %
Government of Poland	9.0 %
Government of Thailand	8.8 %
HSBC Holdings plc 10.715% 02...	6.9 %
Government of Hungary	6.1 %
Government of Peru	5.7 %
Industrial Bank CO.,LTD.	5.5 %
Government of Colombia	5.5 %
Government of Czech Republic	4.9 %

Investment policy

OP-EMD Local Currency (Fund) is a bond fund that invests all of its assets, with the exception of cash assets, in the mutual fund Ninety One Emerging Markets Local Currency Dynamic Debt Fund. This underlying investee fund is registered in Luxembourg. The Fund is a non-UCITS fund, since its rules allow it to invest all of its assets in a single mutual fund or undertaking for collective investment (CIU) that fulfils the EC Directive on Undertakings for Collective Investment in Transferable Securities (UCITS Directive). The Fund mainly invests its assets through the Underlying Investee Fund in fixed-income instruments issued or guaranteed by governments, other public-sector entities, supranational organisations and corporations in emerging markets. In its investment operations, the Fund may use derivative instruments in its cash management and investments in other funds. The underlying asset of such derivative contracts may be a currency or a foreign exchange rate. The fund's modified duration, a measure of the price sensitivity of a bond to interest rate movements, typically ranges between 4 and 6. The Underlying Investee Fund may make extensive use of various asset classes in emerging bond markets. The main target markets are Latin America, Asia, Eastern Europe, Africa and the Middle East. The emphasis of the Underlying Investee Fund's investments is typically on long-term fixed-income products, so in terms of interest rate risk the Fund is on a par with long-term bond funds. The Underlying Investee Fund aims to focus its investments on fixed-income instruments issued and denominated in the local currency of emerging economies (so called local currency). It may also utilise fixed-income instruments issued and denominated in the currency of developed economies (so called hard currency).

The investments underlying this fund do not take into account the EU criteria for environmentally sustainable economic activities. However, this fund integrates sustainability risks using the methods specified in the fund prospectus.

Portfolio manager

Investec Asset Management

Responsibility

Responsible investing

The fund follows OP Asset Management's principles for responsible investment. The consideration of responsibility in the investment analysis and decision making provides additional information in addition to the traditional financial and market information. The significant aspects of responsibility can in the long run affect the financial success of the investment objects and thus the return.

Exclusion

The fund excludes from its active, direct investments manufacturers of controversial weapons, mining companies that produce coal, electricity companies that use charcoal and companies that have violated international standards, and which have not been susceptible to impact. The list of excluded investment items is public.

Active ownership

OP's funds participate in domestic and foreign general meetings in accordance with OP Fund Management Co's Ownership Policy, which takes responsibility into account. All in all, OP's funds participate annually in more than one thousand general meetings. OP Funds utilize the Annual General Meetings Institutional Shareholder Services Annual General Meeting analysis.

Violation of international standards

International standards, such as the UN Global Compact, set the minimum level of responsible business operations. OP Asset Management affects through OP funds that make active, direct investments such companies that are considered to have violated international standards. The goal is to get companies that have violated the standards to change their business and start to comply with the international standards in their business. We use external service provider to identify violations of international standards.

Thematic impact

OP Asset Management also affects companies through various themes of responsibility, such as issues related to climate change.

Read more about the OP Funds' practical ownership influence in the overview of responsible investment that is published twice a year.

ESG analysis

ESG risk level	A
Total ESG score	6.3
Environment (E)	7.0
Social (S)	5.6
Governance (G)	5.1

The ESG risk level indicates how well the companies included in the portfolio take account of the risks and opportunities related to environmental concerns, social concerns and corporate governance concerns relative to their sector. The companies are scored from 0 to 10 and then divided into seven ESG risk-level categories (AAA–CCC). The higher the score, the better the company included in the portfolio has prepared for ESG risks and opportunities.

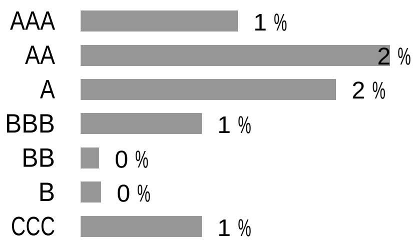
Carbon intensity	1 486.6 greenhouse gas emissions in tonnes / turnover ($M)
Coverage	5.9 %

The portfolio's carbon intensity is the weighted average of the portfolio companies' carbon dioxide intensity. The carbon footprint takes into account companies' greenhouse gas emissions in tonnes at level 1 and level 2 in relation to the company's turnover (million dollars).

Green revenues	2.8 %
Renewable energy	1.3 %
Energy efficiency	-
Environmentally friendly construction	1.5 %
Sustainable use of water resources	-
Prevention of pollution	-

The portfolio's green revenues examines how the portfolio companies' products and services have an impact on the environment. The number describes the proportion of products and services with a positive environmental impact on portfolio companies' turnover.

Distribution of companies' ESG risk levels



The portfolio's ESG analysis in relation to reference portfolios

	ESG	Carbon intensity	Green revenues
Portfolio	6.3	1 486.6	2.8
World	6.8	117.4	6.2
Europe	7.9	86.5	4.6
Finland	8.8	138.5	8.1

Source: MSCI ESG Research

The purpose of the monthly report is to provide its readers with information on the funds and their performance. Information provided in the report is no investment advice and no investment decisions should be made based on such information. The Key Investor Information Document for investors and the fund prospectus as well as the fund's annual report and half-yearly report are the documents that investors should read before making any subscription for fund units. Information in this document is not complete and it is updated on a monthly basis. The information in the report is the latest information on the funds at the time of preparing the report. Copying and distributing the information in the report is prohibited. Changes in the report will not be informed separately. OP Fund Management Company Ltd has compiled and provided the information presented in the report. OP Fund Management Company Ltd does not guarantee that the information presented in the report is correct, perfect or up to date or is not liable for any direct or indirect costs, damage or losses that use of the information presented in this material may cause. The star rating in this report is produced by Morningstar and it is updated every month. The historical performance of the funds is no guarantee of future performance. The values of fund units may vary considerably due to the composition of their investments and the methods used in their management. The fund prospectus describes in greater detail the risks associated with the fund. Fund publications regarding the funds are available at op.fi and OP's branches.