



## KEY INVESTOR INFORMATION

ETICA FIXED INCOME FUND (KES)



✘ This document provides you with key information about the Etica Fixed Income Fund (KES) ("the Fund") to help prospective investors understand the nature, risks, costs, potential gains and losses associated with the Fund

## ✘ About the Fund

Etica Fixed Income Fund (KES) is a Unit Trust Fund regulated by the Capital Markets Authority (CMA). The Fund invests in a diversified portfolio of fixed income securities such as government bonds, bank deposits and other fixed income instruments, with the aims of offering attractive returns by outperforming the income yield available on money market instruments and fixed deposit accounts.

### ✘ Key Features:

- ✔ Minimum Investment: Kshs 100
- ✔ Minimum Top-up: Kshs 100
- ✔ Base Currency: Kenya Shillings
- ✔ Benchmark: Average 182-day Tbill+1% p.a.
- ✔ Inception Date: February 2023
- ✔ Interest Distribution: Daily
- ✔ Compounding Frequency: Daily
- ✔ Lock in period: None
- ✔ Trustee: The Co-operative Bank of Kenya
- ✔ Custodian: Equity Bank Kenya
- ✔ Fund Manager: Etica Capital Limited
- ✔ Regulator: Capital Markets Authority

## ✘ Investment Objective:

To preserve capital and generate stable, competitive returns in Kenya Shillings by investing in high-quality fixed income securities.

## ✘ Investment Strategy

The Etica Fixed Income Fund will invest primarily in diversified (KES) denominated government securities issued by the Central Bank of Kenya and select high-quality corporate bonds, using active duration management and prudent credit and liquidity controls to optimize yield while managing interest rate and credit risk.

### ✘ Investable Asset Classes

- ✔ Bank Deposits (Call and Fixed)
- ✔ Commercial Papers
- ✔ Government Securities e.g. Treasury Bonds, Treasury Bills
- ✔ Listed Corporate Bonds

## ✘ Past Performance

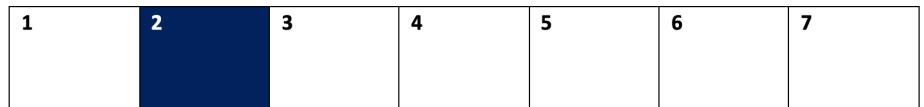
For a comprehensive and transparent overview of the Fund's performance, we encourage you to review the latest Fact Sheet here <https://eticacap.com/fact-sheet/>. The Fact Sheet is updated monthly to ensure investors have access to timely and accurate information. It provides a detailed analysis of performance across various time horizons, including the most recent month, the previous quarter, the previous year, and performance since inception. This structured presentation allows investors to evaluate short-term movements alongside long-term growth trends, supporting informed decision-making and a clearer appreciation of the value generated by the Fund over time.

## ⊕ Charges:

Initial Fee	Nil
Exit Fee	Nil
Management fee	Up to 2% p.a. of the Net Asset Value
Trustee fee	0.19% p.a. of the Net Asset Value
Custodial fee	0.15%p.a of the Net Asset Value

## ⊕ Risk Reward Profile

We have classified this product as 2 out of 7, which is a **low risk class**.

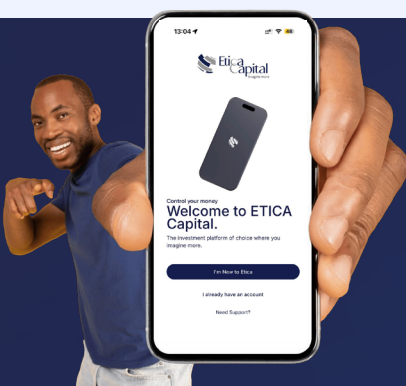


Etica Fixed Income Fund (KES) primarily invests in government securities, bank deposits, and high-quality rated or guaranteed commercial papers. These instruments are selected for their ability to provide stable income while maintaining capital preservation. By focusing on high-quality and government-backed instruments, the Fund minimizes exposure to default risk, making it suitable for investors who prioritize safety over high growth. The Fund's also ensures liquidity, allowing investors to access their capital within the fund's withdrawal terms without significant disruption. Some of the risks that the fund is exposed to include Credit risk, which can arise if a corporate issuer defaults though limited due to investment in high-quality or guaranteed instruments,. Additionally, inflation risk can erode real returns if inflation exceeds the Fund's yield. The Fund mitigates these risks through careful portfolio diversification, limiting exposure to any single issuer, and primarily investing in government securities that carry very low default risk. The Fund generally offers moderate returns, higher than money market funds but lower than equities. Its low risk profile makes it ideal for investors seeking steady income and preservation of capital over a medium-term horizon.

## ⊕ More Information

More information about the Fund, including copies of the prospectus, annual and half-yearly financial reports may be obtained free of charge in English at our registered office, Suite 4A and 4E, Allamano Centre, Inside Consolata Shrine, Waiyaki Way. One may also request for these documents on email via [fundops@eticacap.com](mailto:fundops@eticacap.com)

**Disclaimer:** The yield quoted is an effective annual yield, net of fees and gross of withholding tax. The past performance is no indication of future performance as the price of units may go up as well as down. In certain specified circumstances the investors' right to redeem their participatory interests may be suspended The Capital Markets Authority does not take responsibility for the financial soundness of the scheme or for the correctness of any statements made or opinions expressed.



### ⊕ How to Open an Account:

- ✔ Through the Etica Mobile App (iOS and Android)
- ✔ Web Portal on the Etica website, or
- ✔ Filling a manual/physical application form



### Download Etica App On:



### ⊕ Contact us on:

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