Factsheet | Figures as of 30-04-2023

Robeco Global Credits IH USD

Robeco Global Credits is an actively managed fund that invests primarily in a diversified portfolio of global investment grade corporate bonds. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long-term capital growth. This fund has the flexibility to invest in other fixed income asset classes such as high yield, emerging credits and asset-backed securities. The fund can take limited active duration (interest-rate sensitivity) positions.

Victor Verberk, Reinout Schapers
Fund manager since 04-06-2014

Performance

	Fund	Index
1 m	0.70%	0.81%
3 m	0.18%	0.47%
Ytd	3.97%	3.97%
1 Year	-0.31%	-0.01%
2 Years	-4.92%	-4.68%
3 Years	-1.05%	-1.52%
5 Years	2.18%	1.72%
Since 08-2016	1.98%	1.52%

Annualized (for periods longer than one year)
Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Rolling 12 month returns

	Fund
05-2022 - 04-2023	-0.31%
05-2021 - 04-2022	-9.31%
05-2020 - 04-2021	7.17%
05-2019 - 04-2020	8.35%
05-2018 - 04-2019	6.09%

Initial charges or eventual custody charges which intermediaries might apply are not included.

Index

Bloomberg Global Aggregate Corporates Index

General facts

Morningstar	★★★★
Type of fund	Bonds
Currency	USD
Total size of fund	USD 3,101,313,516
Size of share class	USD 90,260,657
Outstanding shares	795,720
1st quotation date	18-08-2016
Close financial year	31-12
Ongoing charges	0.53%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	5.00%
Management company	Robeco Institutional Asset Management B.V.
Management company	Robeco Institutional Asset Management B.V.

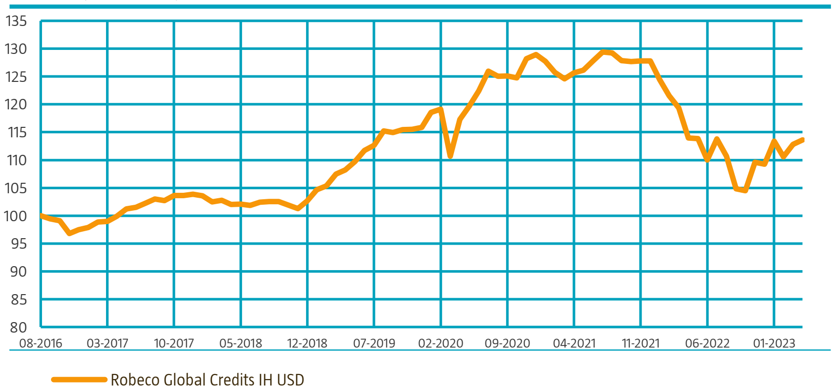
Sustainability profile

- Exclusions
- ESG Integration
- Engagement

For more information on exclusions see https://www.robeco.com/exclusions/

Performance

Indexed value (until 30-04-2023) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 0.70%.
The Global Aggregate Corporate Bond Index returned 0.63% (hedged in euro) this month. Excess returns for the index were 1.18%. The credit spread on the Bloomberg Global Aggregate Corporate Bond Index tightened from 153 to 149 basis points for the month. Underlying yields remained more or less the same. German 10-year yields widened by 2 basis points to 2.31%, while US 10-year yields tightened by 4 basis points to 3.42%. The fund underperformed the index. Our top-down position contributed positively to our performance, which was offset by our issuer selection. Euro cash bonds underperformed dollar-denominated bonds, resulting in a negative contribution for the month due to our overweight euro bonds. Issuers that contributed to performance were NatWest Group due to a rating upgrade, TenneT, Holcim and BBVA. Names that detracted from performance were Western Digital, UBS, Deutsche Bank and Suzano.

Market development

In April, financial markets were relatively quiet and credit spreads traded in a narrow range, as broad measures of volatility including VIX and MOVE trended lower. Problems in the US regional banking sector continued to pop up. First Republic Bank, which is mainly active in the market for wealthy clients, was the latest victim. The bank faces similar issues as other regional banks, with large unrealized losses on "assets held to maturity". In March, a group of US banks provided USD 30 bln of uninsured deposits to shore up liquidity. This did not turn the tide for First Republic and the bank was ultimately acquired by JPMorgan in a transaction organized by the US government. Most company earnings exceeded expectations, as the latter had been guided down to relatively low levels. Inflation remains above target levels in both Europe and the US, while tighter bank lending standards led to questions about the number of rate hikes to come. In the real estate sector there continue to be defaults in office property loans due to rising vacancy rates, higher interest rates and tighter lending standards. Primary markets were relatively subdued due to the earnings calendar, despite lower rate and spread volatility.

Expectation of fund manager

Central banks have been experimenting with monetary policy for years – and have invented a lot of new monetary instruments and strategies along the way. The result has been low or negative yields for way too long. The economic system created debt in all corners of society. A fast and aggressive hiking cycle will for sure reveal many problems. All time-series show a recession could start somewhere toward the end of the year – and we believe central banks will cause one. Recent developments in the banking sector will lead to more tightening lending standards, which will put additional pressure on the economy. We do believe risks are more skewed to the US market this time. Our concern is with leveraged sectors that might be rate sensitive like covenant-lite leveraged loans, real estate, and CLOs. We are far enough into the business and rate cycle that when markets become too bearish, buying on the dip makes sense. This time, the sell-off in AT-1 and subordinated financials led to excessive risk premiums and a buying opportunity in that segment. Valuations for non-financials are less attractive and valuations for cyclicals are not fully reflecting recession risks at the moment.

Top 10 largest positions

In our portfolio management, the most relevant issuer positions are those measured in risk points (weight x spread x duration). The largest positions consist of a mix of financials and industrials. Often, we have more than one bond holding in a specific name. Top financial holdings are Deutsche Bank, Raiffeisen Bank, and Barclays PLC. Top corporate holdings are Electricité de France, Carnival Cruises and Charter Communications.

Fund price

30-04-23	USD	114.05
High Ytd (02-02-23)	USD	115.24
Low Ytd (03-01-23)	USD	110.08

Fees

Management fee	0.40%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.12%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)

Issue structure	Open-end
UCITS V	Yes
Share class	IH USD

This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Luxembourg, Netherlands, Singapore, Switzerland, United Kingdom

Currency policy

All currency risks are hedged.

Risk management

Risk management is fully embedded in the investment process so as to ensure that the fund's positions remain within set limits at all times.

Dividend policy

The fund does not distribute a dividend. The income earned by the fund is reflected in its share price. This means that the fund's total performance is reflected in its share price performance.

Derivative policy

Robeco Global Credit make use of derivatives for hedging purposes as well as for investment purposes. These derivatives are very liquid.

Fund codes

ISIN	LU1479029214
Bloomberg	RGCRIHU LX
WKN	A2PLGR
Valoren	33650321

Top 10 largest positions

Holdings	Sector	%
Deutsche Bank AG	Financials	1.66
Bank of America Corp	Financials	1.65
Morgan Stanley	Financials	1.49
Societe Generale SA	Financials	1.45
JPMorgan Chase & Co	Financials	1.44
CAR 2023-G1V	ABS	1.38
CaixaBank SA	Financials	1.37
UBS Group AG	Financials	1.35
Bank of Nova Scotia/The	Financials	1.34
Banco de Sabadell SA	Financials	1.32
Total		**14.44**

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	1.15	1.12
Information ratio	0.85	0.82
Sharpe ratio	-0.25	0.13
Alpha (%)	1.23	0.93
Beta	1.08	1.07
Standard deviation	7.79	7.66
Max. monthly gain (%)	4.98	5.90
Max. monthly loss (%)	-5.02	-7.02

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years	5 Years
Months outperformance	20	33
Hit ratio (%)	55.6	55.0
Months Bull market	17	35
Months outperformance Bull	11	20
Hit ratio Bull (%)	64.7	57.1
Months Bear market	19	25
Months Outperformance Bear	9	13
Hit ratio Bear (%)	47.4	52.0

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A2/A3	A3/BAA1
Option Adjusted Modified Duration (years)	6.2	6.2
Maturity (years)	7.2	8.8
Yield to Worst (%, Hedged)	6.3	5.4
Green Bonds (%, Weighted)	6.5	4.0

Sustainability

The fund incorporates sustainability in the investment process via exclusions, ESG integration, a minimum allocation to ESG-labeled bonds, and engagement. The fund does not invest in credit issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up security analysis to assess the impact on the issuer's fundamental credit quality. In the credit selection the fund limits exposure to issuers with an elevated sustainability risk profile. Furthermore, the fund invests at least 5% in green, social, sustainable, and/or sustainability-linked bonds. Lastly, where issuers are flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement.

Sector allocation

The sector allocation is to a large extent driven by bottom-up issuer selection. The fund is overweight in European financials, both banking and insurance. To us, the problems at US regional banks like SVB are issuer-specific, but markets started to worry about banks that were facing deposit outflows in particular. Banks' capitalizations are significantly better now than a decade ago and large banks benefit from ample liquidity. The fund is underweight REITs, as higher (re-)financing costs, higher vacancies at CREs and revaluations are putting pressure on their business models. Our overweight in basic industry is in companies with favorable supply-demand dynamics and beneficial positions on their cost curves. Our overweight in consumer cyclical is driven by a combination of Carnival Corp, ZF Friedrichshafen AG and Volkswagen AG bonds. Apart from that, we hold overweight positions in several utility-like agencies.

Sector allocation		Deviation index
Financials	43.5%	4.2%
Industrials	33.8%	-18.3%
Utilities	4.6%	-4.0%
Agencies	3.3%	3.3%
Treasuries	3.3%	3.3%
Covered	2.6%	2.6%
ABS	2.4%	2.4%
Supranational	0.9%	0.9%
Local Authorities	0.1%	0.1%
Sovereign	0.1%	0.1%
Cash and other instruments	5.3%	5.3%

Currency denomination allocation

Our currency positioning over different foreign currencies is the result of our beta positioning, sector themes, and issuer selection. The remainder is held in cash. All currency exposure is hedged back to the Bloomberg Aggregate Corporate Index. Euro cash bonds outperformed dollar bonds in terms of risk-adjusted excess returns for the month. The funds hold an overweight position in Euro bonds.

Currency denomination allocation		Deviation index
U.S. Dollar	51.6%	-16.1%
Euro	37.5%	14.1%
Pound Sterling	5.7%	1.7%
Canadian Dollar	0.0%	-3.3%
Japanese Yen	0.0%	-0.7%
Australian Dollar	0.0%	-0.4%
Swiss Franc	0.0%	-0.4%

Duration allocation

The duration of the fund was in line with its benchmark.

Duration allocation		Deviation index
U.S. Dollar	4.6	0.0
Euro	1.1	0.0
Pound Sterling	0.3	0.0
Canadian Dollar	0.2	0.0

Rating allocation

We have a preference for specific rating buckets throughout the credit cycle. Our positioning over the different buckets is therefore the result of beta positioning, sector themes and issuer selection. Positions vary from emerging credits, high-yield rated countries, subordinated bonds and rising stars. Measured in DTS terms, currently, the fund is underweight investment grade credits and overweight BB credits. Within investment grade rating buckets, we have a neutral position in AA and AAA-rated credits combined.

Rating allocation		Deviation index
AAA	9.7%	8.8%
AA	5.7%	-1.9%
A	25.1%	-17.7%
BAA	43.1%	-5.6%
BA	10.0%	10.0%
B	1.0%	1.0%
NR	0.1%	0.1%
Cash and other instruments	5.3%	5.3%

Subordination allocation

In the allocation to the capital structure, we favor the bonds with the most risk-adjusted performance potential, while taking into account the beta, sector themes, and the credit cycle. The exposure that we do have to subordinated bonds is limited to only positions that have both a good fundamental outlook and a good bond structure.

Subordination type allocation		Deviation index
Senior	75.3%	-17.9%
Tier 2	11.2%	6.3%
Tier 1	5.4%	5.3%
Hybrid	2.7%	1.0%
Cash and other instruments	5.3%	5.3%

Investment policy
Robeco Global Credits is an actively managed fund that invests primarily in a diversified portfolio of global investment grade corporate bonds. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long-term capital growth. The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to, normative, activity-based and region-based exclusions, and engagement. This fund has the flexibility to invest in other fixed income asset classes such as high yield, emerging credits and asset-backed securities. The fund can take limited active duration (interest-rate sensitivity) positions. The majority of bonds selected will be components of the benchmark, but bonds outside the benchmark may be selected too. The fund can deviate substantially from the weightings of the benchmark. The fund aims to outperform the benchmark over the long run, while still controlling relative risk through the application of limits (on currencies) to the extent of the deviation from the benchmark. This will consequently limit the deviation of the performance relative to the benchmark. The Benchmark is a broad market-weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV
Victor Verberk is CIO Fixed Income and Sustainability and Portfolio Manager Investment Grade Credits. Prior to joining Robeco in 2008, Victor was CIO at Holland Capital Management. Before that, he was Head of Fixed Income at MN Services and Portfolio Manager Credits at AXA Investment Managers. He has been active in the industry since 1997. Victor holds a Master's in Business Economics from Erasmus University Rotterdam and he is a Certified European Financial Analyst. Reinout Schapers is Co-Head Portfolio Management Investment Grade in the Credit team. Prior to joining Robeco in 2011, Reinout worked at Aegon Asset Management where he was a Head of European High Yield. Before that, he worked at Rabo Securities as an M&A Associate and at Credit Suisse First Boston as an Analyst Corporate Finance. Reinout has been active in the industry since 2003. He holds a Master's in Architecture from the Delft University of Technology.

Team info
The Robeco Global Credits fund is managed within Robeco's credit team, which consists of nine portfolio managers and twenty-three credit analysts (of which four financials analysts). The portfolio managers are responsible for the construction and management of the credit portfolios, whereas the analysts cover the team's fundamental research. Our analysts have long term experience in their respective sectors which they cover globally. Each analyst covers both investment grade and high yield, providing them an information advantage and benefiting from inefficiencies that traditionally exist between the two segmented markets. Furthermore, the credit team is supported by dedicated quantitative researchers and fixed income traders. On average, the members of the credit team have an experience in the asset management industry of seventeen years, of which eight years with Robeco.

Fiscal product treatment
The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Morningstar

Sustainalytics disclaimer
The information, methodologies, data and opinions contained or reflected herein are proprietary of Sustainalytics and/or third parties, intended for internal, non-commercial use, and may not be copied, distributed or used in any way, including via citation, unless otherwise explicitly agreed in writing. They are provided for informational purposes only and (1) do not constitute investment advice; (2) cannot be interpreted as an offer or indication to buy or sell securities, to select a project or make any kind of business transactions; (3) do not represent an assessment of the issuer's economic performance, financial obligations nor of its creditworthiness; (4) are not a substitute for a professional advice; (5) past performance is no guarantee of future results. These are based on information made available by third parties, subject to continuous change and therefore are not warranted as to their merchantability, completeness, accuracy or fitness for a particular purpose. The information and data are provided "as is" and reflect Sustainalytics' opinion at the date of their elaboration and publication. Sustainalytics nor any of its third-party suppliers accept any liability for damage arising from the use of the information, data or opinions contained herein, in any manner whatsoever, except where explicitly required by law. Any reference to third party names is for appropriate acknowledgement of their ownership and does not constitute a sponsorship or endorsement by such owner. Insofar as applicable, researched companies referred herein may have a relationship with different Sustainalytics' business units. Sustainalytics has put in place adequate measures to safeguard the objectivity and independence of its opinions. For more information, contact compliance@sustainalytics.com.

Disclaimer
This document has been issued by Robeco Institutional Asset Management B.V. (Robeco). The information contained in this publication is based upon sources of information believed to be reliable. Robeco is not answerable for the accuracy or completeness of the facts, opinions, expectations and results referred to therein. Whilst every care has been taken in the preparation of this publication, we do not accept any responsibility for damage of any kind resulting from incorrect or incomplete information. This publication is subject to change without notice.

Important information

Risk factors you should consider before investing: Markets: The value of investments and the income from them can go down as well as up and you may get back less than the amount invested. Exchange Rates: Investing globally can bring additional returns and diversify risk. However, currency exchange rate fluctuations may have a positive or negative impact on the value of your investment. Country : Less developed countries may face more political, economic or structural challenges than developed countries. This may mean your money is at greater risk. The risks outlined might be particularly relevant to this fund and should always be read in conjunction with all warnings and comments given in the prospectus and KIID for the fund. Other important information: The fund constitutes a recognised scheme under section 264 of the Financial Services and Markets Act. Nothing herein constitutes investment, legal, tax or other advice and is not to be relied upon in making an investment or other decision. No recommendation is made, positive or otherwise, regarding individual securities mentioned. You should seek professional advice before making any investment decisions. This is not an invitation to subscribe for shares in the Fund and is by way of information only. Subscriptions will only be received and shares issued on the basis of the current Prospectus, relevant Key Investor Information Document (KIID) and other supplementary information for the Fund. These can be obtained free of charge from Northern Trust Global Serviced Limited, 50 Bank Street, Canary Wharf, London E14 5NT or from our website www.robeco.com. The ongoing charges mentioned in this publication express the operational costs including management fee, service fee, taxe d'abonnement, depositary fee and bank charges and is the one stated in the fund's latest annual report at closing date. Robeco Institutional Asset Management B.V., Rotterdam (Trade Register no. 24123167) is registered with the Netherlands Authority for the Financial Markets in Amsterdam and subject to limited regulation in the UK by the Financial Conduct Authority. Details about the extent of our regulation by the Financial Conduct Authority are available from us on request. Unless otherwise stated, performances are i) net of fees based on transaction prices and ii) with dividends reinvested.