ROBECO

Factsheet | Figures as of 30-04-2023

Robeco QI Global Multi-Factor Bonds IH USD

Robeco QI Global Multi-Factor Bonds is an actively managed fund that invests globally in bonds issued by governments, agencies and corporates. The selection of these bonds is based on a quantitative model. The fund's objective is to provide long-term capital growth. The fund uses low-risk, quality, value, momentum and size factors to select the most attractive bonds. The disciplined investment process aims to keep the credit and foreign exchange risk of the bond portfolio similar to that of the benchmark, but with the aim of generating higher returns due to its exposures to factors. The overall duration of the bond portfolio can be increased or decreased, depending on a systematic assessment of the bond market outlook.

Olaf Penninga, Patrick Houweling, Lodewijk van der Linden
Fund manager since 26-11-2019

Performance

	Fund	Index
1 m	0.34%	0.51%
3 m	1.09%	1.10%
Ytd	3.54%	3.43%
1 Year	-2.65%	-0.70%
2 Years	-4.86%	-3.77%
3 Years	-3.10%	-2.48%
Since 11-2019	-2.29%	-1.38%

Annualized (for periods longer than one year)
*Most representative for long term record due to startup costs of fund
Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Calendar year performance

	Fund	Index
2022	-12.52%	-11.22%
2021	-2.21%	-1.39%
2020	4.70%	5.58%
2020-2022	-3.60%	-2.59%

Annualized (years)

Index

Bloomberg Global Aggregate Index

General facts

Morningstar	★★
Type of fund	Bonds
Currency	USD
Total size of fund	USD 30,932,210
Size of share class	USD 101,583
Outstanding shares	1,106
1st quotation date	26-11-2019
Close financial year	31-12
Ongoing charges	0.43%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	2.00%
Management company	Robeco Institutional Asset Management B.V.
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

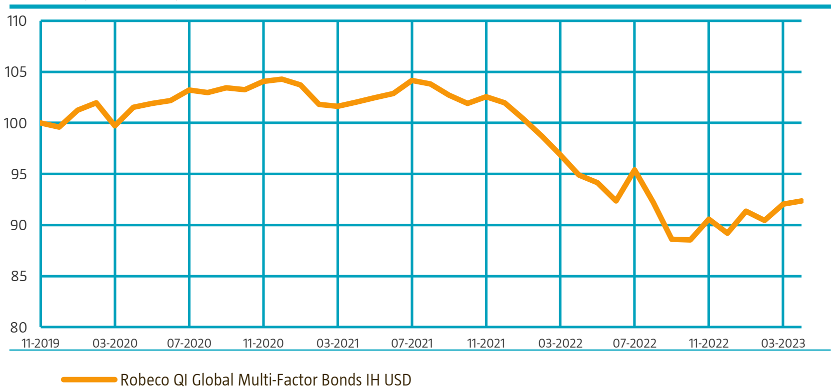
- Exclusions
- ESG Integration
- Engagement
- ESG Target

ESG score target	Footprint target
Better than index	Better than index

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 0.34%.
The fund underperformed the index in April, mainly due to the multi-factor government bond selection. Within government bond selection, value was the weakest factor; the preference for UK bonds detracted the most. Credit selection made a neutral contribution; here the value factor performed well, but the low-risk/quality factor detracted. The duration overlay made a positive contribution as it was correctly positioned for declining yields in Japan and (for a large part of the month) for rising yields in the Eurozone. Year-to-date the fund has outperformed the index, with positive contributions from multi-factor credit selection and the duration overlay.

Market development

After declining on weak US data in early April, bond yields rose for most of the month as banking fears subsided, the ECB still sounded fairly hawkish and UK inflation surprised to the upside. Bonds recovered in late April as Eurozone data weakened and banking fears returned with the failure of First Republic. The Bank of Japan did not adjust its Yield Curve Control policy; instead it announced a broad review of its monetary policy that will take at least a year. Japanese government bonds returned 0.6% in April, US Treasuries 0.3% and German Bunds 0.03%; UK government bonds declined 1.9% (all returns hedged to euro). Credit spreads traded in a narrow range as broad measures of volatility like the VIX and MOVE indices declined. The spread of the Bloomberg Global Corporates Index declined slightly from 153 to 149 bps.

Expectation of fund manager

Robeco QI Global Multi-Factor Bonds invests systematically in predominantly investment grade credits and government bonds. It offers balanced exposure to a number of quantitative factors. The bottom-up selection of government bonds and credits aims to systematically harvest factor premiums with a risk profile that is similar to the reference index. On top of that, the fund incorporates an active duration overlay, which is based on the outcomes of our quantitative duration model.

Fund price

30-04-23	USD	92.35
High Ytd (05-04-23)	USD	92.59
Low Ytd (03-01-23)	USD	89.46

Fees

Management fee	0.30%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.09%

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

Germany, Luxembourg, Netherlands, Singapore, Switzerland, United Kingdom

Currency policy

All currency risks are hedged.

Risk management

The fund aims to have its credit and currency exposure in line with that of the benchmark. The strategy can have moderate tracking error versus the benchmark. The portfolio volatility is restricted by a predefined threshold. The portfolio will make use of derivatives, which add to the leverage of the portfolio. The expected level of gross leverage is stated in the prospectus.

Dividend policy

All income earned will be accumulated and not be distributed as dividend. Therefore the entire return is reflected in the share price development.

Fund codes

ISIN	LU2067165097
Bloomberg	ROMHBIU LX
Valoren	51337793

Statistics

	3 Years
Tracking error ex-post (%)	1.28
Information ratio	-0.11
Sharpe ratio	-0.75
Alpha (%)	0.09
Beta	1.06
Standard deviation	5.33
Max. monthly gain (%)	3.37
Max. monthly loss (%)	-3.92

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years
Months outperformance	16
Hit ratio (%)	44.4
Months Bull market	17
Months outperformance Bull	8
Hit ratio Bull (%)	47.1
Months Bear market	19
Months Outperformance Bear	8
Hit ratio Bear (%)	42.1

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	AA3/A1	AA2/AA3
Option Adjusted Modified Duration (years)	7.3	6.8
Maturity (years)	9.1	8.6
Yield to Worst (%, Hedged)	4.8	5.1

Sustainability

The fund incorporates sustainability in the investment process via exclusions, ESG integration, ESG and environmental footprint targets, and engagement. For investments in government bonds, the fund complies with Robeco's exclusion policy for countries and does not invest in countries where serious violations of human rights or a collapse of the governance structure take place, or if countries are subject to UN, EU or US sanctions. Via portfolio construction rules the fund targets a better ESG score and a lower carbon footprint compared to the government bonds part of the reference index. For investments in corporate bonds, the fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Via portfolio construction rules the fund targets a better ESG score and lower carbon, water and waste footprints than that of the corporate component in the reference index. These portfolio construction rules ensure that issuers with a better ESG scores or a lower environmental footprint are more likely to be included in the portfolio, and vice versa. For corporate bonds, the investment process also includes a check of buy candidates and portfolio holdings by our credit analysts for ESG risks that may have material impact for bond holders. Lastly, where corporate issuers are flagged for breaching international standards in our ongoing monitoring, the issuer will become subject to engagement.

Footprint Visuals

Environmental Footprint - Credit allocation

Footprint ownership expresses the total resource utilization the credit allocation of the portfolio finances. Each assessed companys footprint is calculated by normalizing resources utilized by the companys enterprise value including cash (EVIC). Multiplying these values by the dollar amount invested in each assessed company yields the aggregate footprint ownership figures. The same is done for the corporate bonds in the index. Carbon efficient companies have lower ownership values. The portfolios score is shown in blue and the index in grey.

Environmental Intensity - Government bond allocation

Carbon intensity expresses the aggregate efficiency of the government bond allocation of the portfolio. Each country's carbon intensity is calculated by normalizing the country's greenhouse gas emissions (expressed in carbon equivalents) by its population size. The portfolio's aggregate intensity figure is calculated by multiplying each portfolio holding's intensity figure by its respective portfolio weight. The same is done for the government bonds in the index. Carbon efficient countries have lower intensity values. The portfolios score is shown in blue and the index in grey.

Sector allocation

The fund invests mainly in government bonds and credits. The strategic exposures to interest rate and credit spread risks are in line with the index. Allocations to sectors within credits are non-tactical, and incidental to the specific company selection based on the credit factor exposures. Per the end of April, the largest overweights are in technology and consumer cyclical.

Sector allocation		Deviation index
Treasuries	67.0%	14.3%
Consumer Non Cyclical	4.8%	2.4%
Technology	4.6%	3.3%
Consumer Cyclical	4.1%	2.8%
Communications	3.4%	2.0%
Banking	3.0%	-1.9%
Insurance	2.4%	1.3%
Energy	1.7%	0.7%
Capital Goods	1.6%	0.8%
Basic Industry	1.1%	0.6%
Electric	1.0%	-0.2%
Other	1.7%	-29.4%
Cash and other instruments	3.7%	3.7%

Currency allocation

Allocations to currency denominations in government bonds are the result of the active selection of the most attractive government bonds across countries and maturities based on the multi-factor model. In credits, the allocations to currency denominations are incidental to the corporate bond selection, which is generated by the multi-factor ranking model. All currency exposures are hedged to the base currency of the fund class. There is no active currency policy. Small temporary deviations from the benchmark may arise due to market movements.

Currency allocation		Deviation index
U.S. Dollar	99.3%	-0.7%
Euro	0.3%	0.3%
Chinese Renminbi (Yuan)	-0.1%	-0.1%
Japanese Yen	0.1%	0.1%
Romanian New Leu	0.1%	0.1%
Pound Sterling	-0.1%	-0.1%
Australian Dollar	0.1%	0.1%
Norwegian Kroner	0.1%	0.1%
Colombian Peso	0.1%	0.1%
Malaysian Ringgit	0.1%	0.1%
Hungarian Forint	0.1%	0.1%

Duration allocation

By the end of April, the systematic duration overlay has an overweight duration position in Japanese bonds and neutral duration positions in Germany and the US. These tactical duration positions are based on the outcomes of our quantitative duration model. The selection of government bonds based on the multi-factor model resulted in overweights in longer-dated Australian, British, Swedish and Danish bonds and in underweights in Canadian bonds and especially in US intermediate and short bonds. Within Japan, shorter-dated bonds were preferred over long-dated bonds.

Duration allocation		Deviation index
U.S. Dollar	2.0	-0.8
Japanese Yen	1.5	0.4
Euro	1.4	0.0
Pound Sterling	1.0	0.7
Australian Dollar	0.7	0.6
Chinese Renminbi (Yuan)	0.5	0.0
Swedish Kroner	0.1	0.1
Danish Kroner	0.1	0.1
Canadian Dollar	0.0	-0.2
Korean Won	0.0	-0.1
Other	0.0	-0.1

Investment policy

Robeco QI Global Multi-Factor Bonds is an actively managed fund that invests globally in bonds issued by governments, agencies and corporates. The selection of these bonds is based on a quantitative model. 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. The fund uses low-risk, quality, value, momentum and size factors to select the most attractive bonds. The disciplined investment process aims to keep the credit and foreign exchange risk of the bond portfolio similar to that of the benchmark, but with the aim of generating higher returns due to its exposures to factors. The overall duration of the bond portfolio can be increased or decreased, depending on a systematic assessment of the bond market outlook. The majority of bonds selected will be components of the benchmark, but bonds outside the benchmark may be selected too. The fund can deviate 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, issuers and ratings) 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

Olaf Penninga is Portfolio Manager Quant Fixed Income. He has been Portfolio Manager for the Dynamic Duration strategy since 2005 and Lead Portfolio Manager since 2011. These are all quantitative fixed income strategies. His previous positions with Robeco include that of Lead Portfolio Manager for Robeco's fundamentally-managed Euro Government Bonds strategy and Researcher with responsibility for fixed income allocation research. Olaf was employed by Interpolis as Investment Econometrician for one year before returning to Robeco in 2003. He started his career in 1998 at Robeco. He holds a Master's in Mathematics (cum laude) from Leiden University. Patrick Houweling is Co-Head of Quant Fixed Income and Lead Portfolio Manager of Robeco's quantitative credit strategies. Patrick has published seminal articles on Duration Times Spread, factor investing in credit markets, corporate bond liquidity and credit default swaps in various academic journals, including the Journal of Banking and Finance, the Journal of Empirical Finance and the Financial Analysts Journal. The article 'Factor Investing in the Corporate Bond Market' he co-authored received a Graham and Dodd Scroll Award of Excellence for 2017. Patrick is a guest lecturer at several universities. Prior to joining Robeco in 2003, he was Researcher in the Risk Management department at Rabobank International where he started his career in 1998. He holds a PhD in Finance and a Master's (cum laude) in Financial Econometrics from Erasmus University Rotterdam. Lodewijk van der Linden is Portfolio Manager Quant Fixed Income. He joined Robeco in August 2018. In the period 2015-2018 Lodewijk worked at Aegon Asset Management where he was Risk associate and Team Manager Client Reporting. Lodewijk started his career at PwC as an actuarial consultant in 2013. He holds a Master's in Actuarial Science from the University of Amsterdam and a Master's in Econometrics and Management Science from Erasmus University Rotterdam.

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 0.01% 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

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