Robeco Global Credits - Short Maturity IH EUR

Robeco Global Credits - Short Maturity is an actively managed fund that invests primarily in a diversified portfolio of global investment grade corporate bonds with a short maturity. 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.

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

Performance

	Fund	Index
1 m	-1.37%	-1.08%
3 m	-2.44%	-2.16%
Ytd	-2.39%	-2.10%
1 Year	-3.13%	-2.67%
2 Years	-0.72%	-0.38%
3 Years	0.62%	0.88%
Since 09-2017	0.19%	0.45%

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.

Calendar year performance

	Fund	Index
2021	-1.20%	-0.86%
2020	2.74%	3.20%
2019	3.92%	3.47%
2018	-1.67%	-1.29%
2019-2021	1.80%	1.92%

Annualized (years)

Index

Bloomberg Global Aggregate Corporate 1-5 Year Index

General facts

Morningstar	★★
Type of fund	Bonds
Currency	EUR
Total size of fund	EUR 690,022,763
Size of share class	EUR 65,817,946
Outstanding shares	652,179
1st quotation date	28-09-2017
Close financial year	31-12
Ongoing charges	0.43%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	3.00%
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

Exclusions

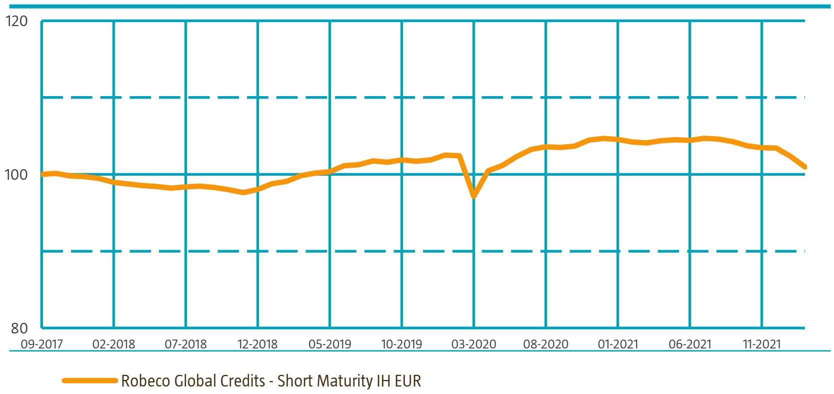
ESG Integration

Engagement

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

Performance

Indexed value (until 28-02-2022) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -1.37%.
The fund had an underperformance versus the benchmark. The contribution from credit beta was negative in February, which is largely explained by the position in swap spreads.Issuer selection was slightly negative. The small position in Gazprom made a negative contribution, while the fund benefited from not having other Russian corporates such as Norilsk and Lukoil.

Market development

February was a month of two halves for markets. The first half was dominated by central banks being forced to embark upon a much more aggressive tightening cycle than anticipated, especially as inflation continued to surprise on the upside. In the second half, we saw a massive risk-off move prompted by the reality of Russia's invasion of Ukraine, which in turn triggered severe sanctions on Russia that have had a seismic market impact across multiple asset classes. The largest implications are felt by: the Russian MOEX Index down -50% (in USD terms), Brent moving above USD 100/bbl, European natural gas is +16%, wheat prices are up +20%, and every major credit index moved wider for the month. These rises in commodity prices are set to make life increasingly difficult for central banks. On the one hand, they are unable to take direct action to deal with the supply shock, but on the other, its consequences will be seen through stagflation, with the risk that higher inflation becomes entrenched over time. In China, the various measures aimed at improving property sales have not translated into improvement yet. With regard to Covid, most Western nations have abolished lockdowns and travel restrictions.

Expectation of fund manager

Imperfect information implies imperfect forecasts, which is especially true right now. With so many distorting elements at play, including severe global supply chain disruptions, there are no easy answers in predicting economic growth. As we consider all the evidence around corporate pricing power, policy stimulus and consumer spending behavior, we believe that US and European fundamentals will not be the key driver of credit markets in Q1 2022. The outlook might be more uncertain again, but corporate fundamentals are still strong. We think there are certain risk factors that are not sufficiently priced in yet, like geopolitical risks around Russia and the growth impact of the Chinese real estate meltdown. Central bank activity and communication might cause a bout of risk aversion after years of increased risk taking by asset owners. This means we see plenty of reasons to start 2022 with a fairly cautious positioning.

Top 10 largest positions

In weight terms, our largest single-name exposures are mainly in the bank and insurance sectors. In risk points, our top holdings are Mapfre SA, Electricité de France, Banco de Sabadell, Deutsche Bank and Banco Comercial Português SA. The fund continues to hold a position to benefit from swap spread tightening.

Fund price

28-02-22	EUR	100.84
High Ytd (04-01-22)	EUR	103.21
Low Ytd (24-02-22)	EUR	100.72

Fees

Management fee	0.30%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.00%

Legal status

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

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

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

Registered in

Austria, France, Germany, Italy, Luxembourg, Netherlands, Spain, Switzerland, United Kingdom

Currency policy

All currency risks are hedged.

Risk management

Risk management is fully embedded in the investment process to ensure that positions always meet predefined guidelines.

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

The fund make use of derivatives for hedging purposes as well as for investment purposes.

Fund codes

ISIN	LU1648456215
Bloomberg	ROBCIHE LX
Sedol	BFOLBY8
WKN	A2DYLJ
Valoren	37545292

Top 10 largest positions

Holdings	Sector	%
Barclays PLC	Financials	1.73
Deutsche Bank AG	Financials	1.65
CaixaBank SA	Financials	1.61
Bank of America Corp	Financials	1.58
Syngenta Finance NV	Agencies	1.49
Morgan Stanley	Financials	1.32
MPT Operating Partnership LP / MPT Finance Corp	Financials	1.27
Nationwide Building Society	Financials	1.22
Credit Suisse AG/New York NY	Financials	1.21
ABN AMRO Bank NV	Financials	1.21
Total		**14.29**

Statistics

	3 Years
Tracking error ex-post (%)	0.87
Information ratio	0.18
Sharpe ratio	0.39
Alpha (%)	-0.15
Beta	1.23
Standard deviation	3.92
Max. monthly gain (%)	3.00
Max. monthly loss (%)	-5.08

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years
Months outperformance	22
Hit ratio (%)	61.1
Months Bull market	21
Months outperformance Bull	14
Hit ratio Bull (%)	66.7
Months Bear market	15
Months Outperformance Bear	8
Hit ratio Bear (%)	53.3

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A2/A3	A3/BAA1
Option Adjusted Modified Duration (years)	2.8	2.8
Maturity (years)	2.4	2.9
Yield to Worst (%, Hedged)	1.4	0.9
Green Bonds (%, Weighted)	2.4	3.1

Sustainability

The fund incorporates sustainability in the investment process via exclusions, ESG integration 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. 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 holds overweight positions in agencies and is underweight in industrials. The position in ABS and Treasuries is used for liquidity management. In risk, the fund has an overweight position in banking.

Sector allocation		Deviation index
Financials	46.8%	-3.1%
Industrials	32.5%	-12.2%
Agencies	5.8%	5.8%
ABS	5.3%	5.3%
Treasuries	3.9%	3.9%
Utilities	3.1%	-2.2%
Covered	0.5%	0.5%
Supranational	0.2%	0.2%
Cash and other instruments	1.8%	1.8%

Currency denomination allocation

All currency exposure is hedged back to the fund's base currency.

Currency denomination allocation		Deviation index
U.S. Dollar	53.9%	-5.1%
Euro	42.6%	12.1%
Pound Sterling	5.1%	1.6%
Canadian Dollar	-0.1%	-4.2%
Swiss Franc	0.0%	-0.6%
Japanese Yen	0.0%	-1.6%
Australian Dollar	0.0%	-0.5%
Singapore Dollar	0.0%	-0.1%
New Zealand Dollar	0.0%	-0.1%
Korean Won	0.0%	-0.1%

Duration allocation

The portfolio's interest duration is in line with the benchmark at the moment.

Duration allocation		Deviation index
U.S. Dollar	1.7	0.1
Euro	0.9	0.0
Pound Sterling	0.1	0.0
Canadian Dollar	0.1	0.0

Rating allocation

The fund is underweight in investment grade credits and overweight in BB credits. We have positions in companies where we expect an upgrade to investment grade, such as Sprint, Autostrade, Occidental Petroleum and Medical Properties Trust.

Rating allocation		Deviation index
AAA	10.0%	9.2%
AA	4.6%	-3.7%
A	27.6%	-14.3%
BAA	41.2%	-7.9%
BA	13.6%	13.6%
B	1.2%	1.2%
Cash and other instruments	1.8%	1.8%

Subordination allocation

As we are more cautious on the market outlook, we have limited exposure to Tier 1 and hybrid bonds. We continue to like taking exposure to the financial sector via Tier 2 bonds, as these continue to offer decent spreads, and our outlook on the bank and insurance sector remains constructive.

Subordination type allocation		Deviation index
Senior	85.8%	-5.5%
Tier 2	8.1%	1.8%
Hybrid	2.1%	0.0%
Tier 1	2.0%	1.8%
Subordinated	0.2%	0.1%
Cash and other instruments	1.8%	1.8%

Investment policy

Robeco Global Credits - Short Maturity is an actively managed fund that invests primarily in a diversified portfolio of global investment grade corporate bonds with a short maturity. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long-term capital growth. The fund promotes certain ESG (environmental, social and corporate governance) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, and integrates ESG and sustainability risks in the investment process. In addition, the fund applies an exclusion list on the basis of controversial behavior, products (including controversial weapons, tobacco, palm oil and fossil fuel) and countries, alongside 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

Mr. Schapers is Portfolio Manager Emerging Market Credits in the Credit team. Prior to joining Robeco in 2011, Reinout worked at Aegon Asset Management for 5 years where he was a senior portfolio manager high yield credits and was Head of High Yield Europe since 2008. Before that, he worked at Rabo Securities as an M&A associate and at Credit Suisse First Boston as a corporate finance analyst. He holds an Engineering degree in Architecture from the Delft University of Technology. He has been active in the industry since 2003. Mr. Verberk is Head and Portfolio Manager Investment Grade Credits since January 2008. Prior to joining Robeco in 2008, Mr. Verberk was CIO with Holland Capital Management. Before that he was employed by Mn Services as Head of Fixed Income and he worked for AXA Investment Managers as Portfolio Manager Credits. Victor Verberk started his career in the investment industry in 1997. Mr. Verberk holds a Master's degree in Business Economics from Erasmus University, Rotterdam and has been a CEFA holder since 1999.

Team info

The Robeco Global Credits - Short Maturity 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 0.01% 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

Disclaimer