

Robeco Corporate Hybrid bonds

Global EUR Corporate Bonds

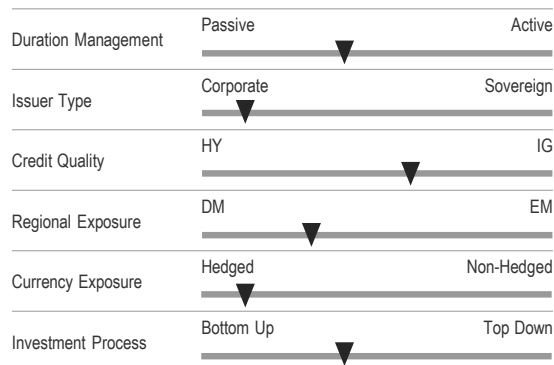
Portfolio Strategy

The fund builds a diversified portfolio of euro-denominated corporate hybrid bonds, selected bottom-up for issuers whose senior debt is investment grade and whose hybrids offer adequate compensation for subordination and call risk. Position sizing reflects conviction in issuer fundamentals and in the likelihood of bonds being called at their first call date, with active management of call and extension exposure across the cycle.

Key Features

Asset Manager	Robeco Luxembourg SA
Net Assets Value	287 (Mio Euro)
Inception Date	19/10/2017
UCITS	Yes
Base Currency	Euro
Liquidity	Daily
Share Class*	Euro Acc
Management Fees* (%)	0.40%
Performance Fees	No
CH Registered	Yes
Yield to Worst	4.53
Modified Duration	4.13
Average Credit Quality	BBB+

Portfolio Style



Investment Rationale

Corporate hybrid bonds are subordinated securities issued by predominantly investment-grade, non-financial companies. They sit between senior debt and equity in the capital structure, offering a structural yield premium over an issuer's senior bonds while retaining exposure to the same high-quality company. For euro investors seeking income above senior investment-grade credit without moving down in issuer quality, the segment is a distinct and growing opportunity set.

Investment Philosophy

The fund applies fundamental, research-led credit selection across the hybrid universe, concentrating on issuers whose senior debt is investment grade and whose hybrids offer adequate compensation for subordination, coupon-deferral and call/extension risk. Security selection and a disciplined assessment of call behaviour drive returns; the approach is benchmark-aware against the Bloomberg Euro Corporate index but constructed bottom-up.

Fund Management Team

Managed within Robeco's fixed income credit franchise, an established European asset manager with a long-standing fundamental and quantitative credit research capability.

Strengths

Corporate hybrid bonds offer a yield pickup over senior credit at investment-grade issuer quality. A three-year annualised return of 7.1% at a Sharpe ratio of 1.33 evidences strong risk-adjusted delivery, and the strategy pairs dedicated hybrid expertise within an established European credit manager with a competitive 0.40% management fee.

Weaknesses

As subordinated instruments, corporate hybrids carry greater risk than an issuer's senior debt: coupons can be deferred and bonds may be extended beyond their first call date if the issuer chooses not to call. In stressed markets they can correlate more with the lower end of the capital structure and with equity sentiment, so returns are sensitive to issuer fundamentals and to shifts in market call expectations.

	1M	YTD	2025	2024	2023	3Y (Ann.)	5Y (Ann.)	Sharpe Ratio 3Y	Volatility 3Y	Max Drawdown 3Y
Fund	0.95	0.57	6.11	7.88	8.70	7.07	2.18	1.33	3.06	-2.63
Index	0.94	0.89	3.03	4.74	8.19	4.69	0.31	0.52	3.32	-2.61