RBC BlueBay Asset Management

February 2024

BlueBay Investment Grade Absolute Return Bond Fund

I - EUR Share Class

Investment objective

The fund is actively managed and targets better returns than its benchmark, the ICE BofA Euro Currency 3-Month Deposit Offered Rate Constant Maturity Index, while taking into account Environmental, Social and Governance ("ESG") considerations.

Investment strategy

- There are no restrictions on the extent to which the fund's portfolio and performance may deviate from the ones of the benchmark.
- At least half of the fund's investments will be in fixed income bonds rated investment grade by a credit rating agency.
- The fund may invest up to 20% of its net assets in mainland China.
- The Fund meets the conditions set out in Article 8 of the Sustainable Finance Disclosure Regulation as it promotes environmental/social characteristics through binding requirements as a key feature. Full details available online www.rbcbluebay.com/en-gb/institutional/what-we-do/funds/sustainability-related-disclosures/

Share class performance (%) Net of fees EUR

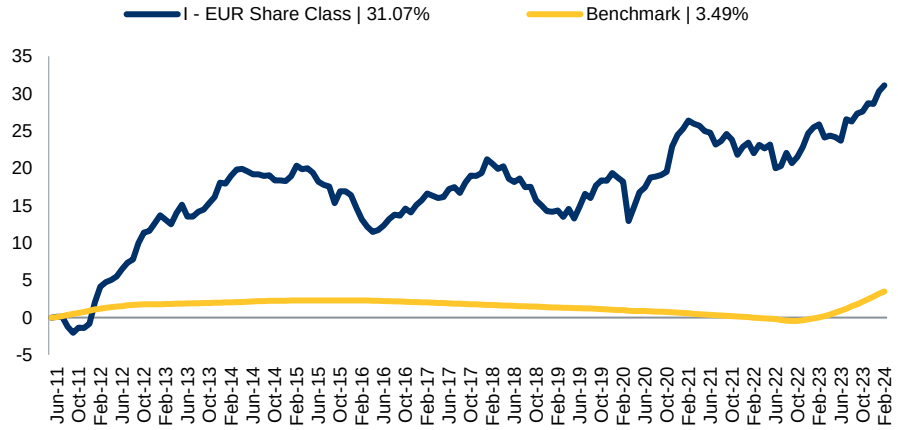
	1M	3M	YTD	1YR	3YR	5YR	10YR	SI*
I - EUR Share Class	0.62	1.87	1.92	4.15	1.22	2.77	0.97	2.15
Benchmark	0.31	1.00	0.64	3.46	0.96	0.42	0.14	0.27
Relative	0.32	0.87	1.28	0.69	0.26	2.35	0.83	1.88

Calendar year performance (%) Net of fees EUR

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
I - EUR Share Class	3.14	1.47	-1.28	4.30	4.46	-4.28	3.71	-1.11	-1.61	0.17
Benchmark	3.06	-0.32	-0.55	-0.39	-0.34	-0.33	-0.33	-0.22	0.03	0.27

ICE BofA EUR 3-Month Deposit Offered Rate Constant Mat Index is the benchmark for the Share Class. The inception date for the Share Class is 03 June 2011.
*SI – Since inception.

Cumulative performance Net of fees EUR since inception



Risk warning

Recipients are strongly advised to obtain appropriate independent professional advice and reach their own conclusions regarding the investment merits and risks. No RBC BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund. The Key Investor Information Document ("KIID"), the Packaged Retail and Insurance-based Investment Products - Key Information Documents (PRIIPs KID) and full prospectus must be read carefully prior to making a decision to invest. Subscriptions will only be received and shares issued based on the current KIID and full prospectus.

Past performance does not predict future returns. Net performance figures reflect the reinvestment of all dividends and earnings, and the deduction of investment management and performance fees. In addition, the typical fees and expenses charged to a fund will offset the funds trading profits. The specific fee structure for the Fund is detailed in the Key Investor Information document or the Fund's prospectus. Where the Share Class currency is different to that of the Benchmark currency, the Benchmark returns have been converted into the currency for the corresponding Share Class using a hedging method. This adjusts the benchmark returns to account for interest rates differences between the two countries and the spot FX impact on unexpected returns. Performance shown for 1yr periods onwards are annualised figures.

This is a marketing communication. Please refer to the prospectus of the UCITS and to the KIID before making any final investment decisions.
Source: RBC Global Asset Management, ICE Data Services as at 29 February 2024. This report is incomplete without the Legal Disclaimer included on the last page.

Fund characteristics

	Fund
Weighted interest rate duration (years)	-2.14
Weighted spread duration (years)	0.90
Yield to worst (%)	4.58
Coupon (%)	4.78
Number of issues	174
Number of issuers	88
Weighted rating	BBB

We have updated our yield calculations for derivatives to reflect the higher rate environment better.

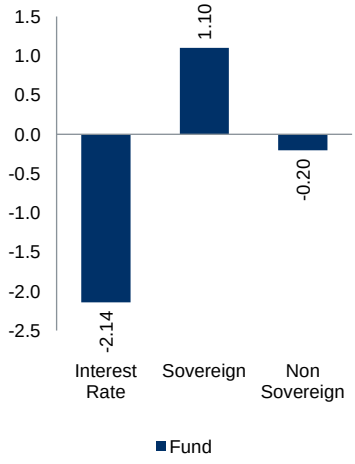
Top sector breakdown by spread duration contribution (years)

	Fund
Banks	1.51
Sovereign	1.05
Utilities	0.41
Health Care	0.35
Technology	0.23

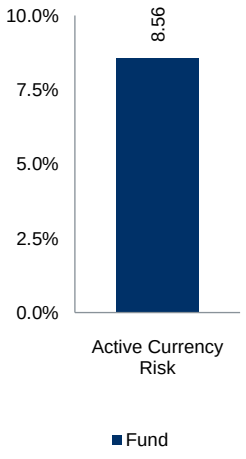
Top country breakdown by spread duration contribution (years)

	Fund
France	0.86
United States	0.67
Romania	0.57
Germany	0.50
Mexico	0.43

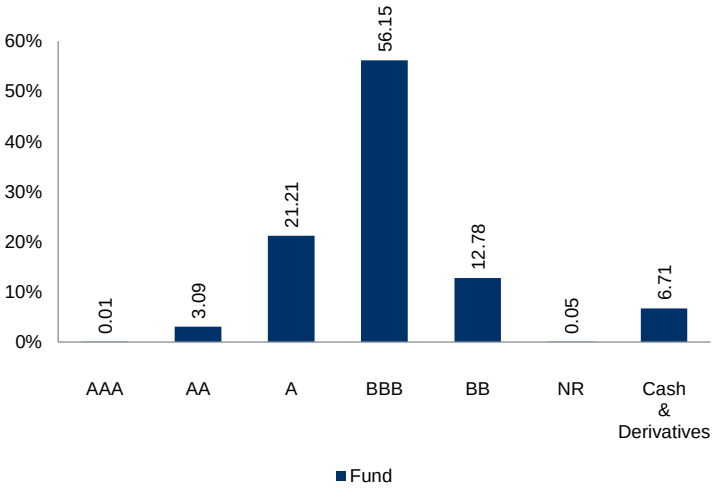
Product breakdown duration (years)



Currency exposure (%)



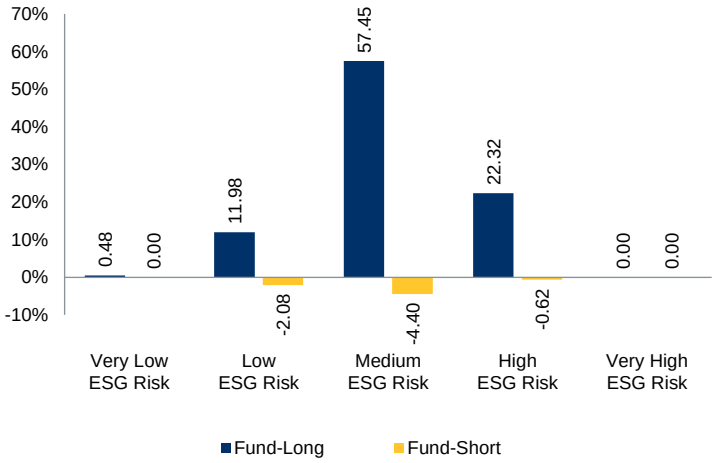
Credit quality breakdown (%, NAV)



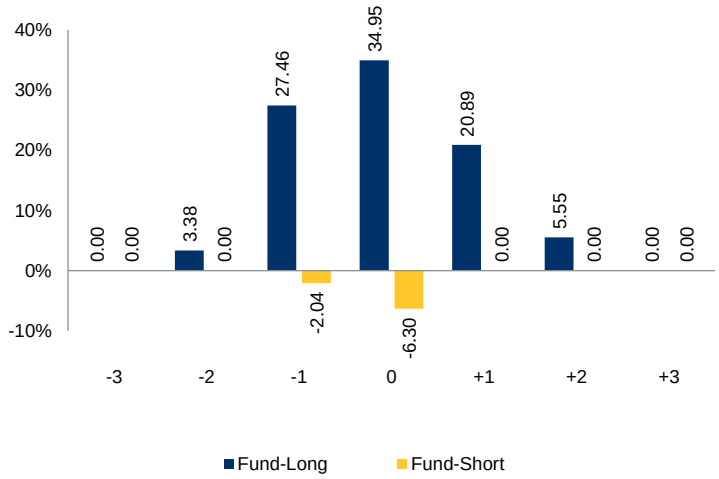
Important risk considerations

- At times, the market for investment grade bonds may dry up, which could make it difficult to see these bonds, or the fund may only be able to sell them at a discount.
- There may be cases where an organisation with which we trade assets or derivatives (usually a financial institution such as a bank) may be unable to fulfill its obligations, which could cause losses to the fund.
- RBC BlueBay's ESG analysis can rely on input from external providers. Such data may be inaccurate or incomplete or unavailable and BlueBay could assess the ESG risks of securities held incorrectly.
- RBC BlueBay could suffer from a failure of its processes, systems, and controls - or from such a failure at an organisation on which we rely in order to deliver our services - which could lead to losses for the fund.

BlueBay: Issuer fundamental ESG risk ratings[1]



BlueBay: Security investment ESG scores[2]



Top 3 long issuers by spread duration contribution[1, 2]

Issuer	Years (absolute)	Years (relative)	ESG Risk Rating	ESG Score
Romanian Government International Bond	0.57	0.57	Medium	-1
Mexico Government International Bond	0.43	0.43	High	0
BPCE SA	0.18	0.18	Low	0

Top 3 short issuers by spread duration contribution[1, 2]

Issuer	Years (absolute)	Years (relative)	ESG Risk Rating	ESG Score
Eastman Chemical Co	-0.08	-0.08	Medium	-1
Bertelsmann SE & Co KGaA	-0.06	-0.06	Low	0
British Telecommunications PLC	-0.06	-0.06	Medium	0

Fund information

Investment manager	RBC Global Asset Management (UK) Limited	**Fund type**	UCITS
Base currency	EUR	**Fund domicile**	Luxembourg
Fund inception date	24 May 2011	**SFDR**	Article 8
Fund size (EUR)	802 m	**Benchmark**	ICE BofA EUR 3-Month Deposit Offered Rate Constant Mat Index
Portfolio Manager(s)	Andrzej Skiba, CFA; Marc Stacey; Mark Dowding; Tom Moulds		

The Funds AUM is stated on a T+1 basis and includes non-fee earning assets. The benchmark is hedged into the Share Class currency where relevant.

Share class information

Share class inception date	03 June 2011
Initial charge	0.00%
Annual management fee	1.00%
Performance fee	N/A
Total expense ratio	1.10%
Share class price	131.07
Minimum initial investment	EUR 500,000
Minimum subsequent investment	N/A
Dividend paying policy	No

Fund identifiers

ISIN	LU0627763740
Bloomberg	BBIGARB LX
WKN	A1JQJT
Valoren	13186523
Lipper	68150287

Contact information

Marketing and Client Relations Department
Tel: +44(0)20 7653 4000
marketing@bluebay.com
www.rbcbluebay.com

Source: RBC Global Asset Management, ICE Data Services as at 29 February 2024. This report is incomplete without the Legal Disclaimer included on the last page.

Glossary of terms

Aggregate: The fund or the benchmark contains a mix of government and corporate bonds at a fixed proportion or fixed weighting.

Annual management fee: Annual fee charged by the fund manager for management of the fund, expressed as a percentage.

Article 6: Financial products, not falling into either the Article 8 or 9 category. Where such products deem sustainability risks to be relevant to the returns of the product, the regulation requires transparency of the integration of sustainability risks. Where such risks are not deemed relevant, the regulation requires an explanation of the reasons. Such products are not subject to any of the additional transparency required for Article 8 or 9 products.

Article 8: Financial products where sustainable investment is not the objective, but they are promoting environmental or social characteristics (or a combination of those characteristics), provided that the companies in which the investments are made follow good governance practices. The regulation requires such products to have additional transparency on the promotion of environmental or characteristics.

Article 9: Financial products with sustainable investment as its objective. The regulation requires such products to have additional transparency of sustainable investments.

Base currency: The currency of which the is fund managed in.

Benchmark: An index that is used to reference the overall investment performance of the fund. Calculated by a 3rd party using a documented methodology.

Beta adjusted spread duration: An adjusted measure of credit sensibility that takes into consideration the relative level of the security spread compared to the relevant market spread level.

Bond: Financial instrument issued by governments and corporations as a way to borrow money. By buying a bond, the investor is giving the issuer a loan, and the issuer agrees to pay back the face value of the loan on a specific date, and to pay periodic interest payments (coupon) along the way.

Coupon: The annual interest rate paid on a bond, expressed as a percentage of the face value and paid from issue date until the bond is repaid.

Credit spread: Is a measure of the credit risk compared to the risk free interest rate, often the equivalent government bond. The higher the number, measured in basis points, the higher the perceived risk that the issuer will fail to repay the bond. The weighted spread is the average spread for the whole portfolio weighted by the size of the position.

Derivatives: A type of financial instrument whose value is dependent on an underlying asset, group of assets, or benchmark. A derivative is set between two or more parties that can trade on an exchange or over-the-counter (OTC).

Dividend paying policy: Does the specific share class pay a dividend or not.

Emerging market bonds: Bonds issued by developing countries. These bonds tend to be issued at higher yields than those issued by developed countries.

Fund domicile: The country in which the fund is legally incorporated.

Fund size: Total value of assets of the fund.

Fund type: The legal structure of the fund.

Hedged: A risk management strategy that involves buying or selling an investment or currency to potentially help reduce the risk of loss of an existing position.

High yield: Bonds that are believed to have a higher rate of default and receive lower ratings by the credit rating agencies, namely bonds rated BB or below. These bonds tend to be issued at higher yields than more creditworthy bonds to compensate for the higher risk.

Inception date: The date when the fund or share class launched for investors.

Initial charge: The charge by the fund manager for new investments in a fund, expressed as a percentage of the amount being invested.

Interest rate duration: A measure of the sensitivity of the price of a bond to a change in interest rates. In general, the higher the duration the more a bond's price will rise as interest rates drop. There are several versions of duration such as 'effective' and 'modified' which represent different mathematical methods to measure the sensitivity.

Investment grade: Bonds that are believed to have a lower risk of default and receive higher ratings by the credit rating agencies, namely bonds rated BBB or above. These bonds tend to be issued at lower yields than less creditworthy bonds.

Investment objective: The investment target of the fund set out in the prospectus.

Investment strategy: The strategy that the fund implements in order to achieve its investment objective.

Issuers: The distinct number of issuers based on their Bloomberg Issuer code, held by the fund. An issuer may be a company, government or investment trust.

Issues: The distinct number of insturments held by the fund.

Maturity: The date when the bond issuer must repay the original bond value to the bond holder. Issuers can sometimes pay early if the Terms and Conditions of the bond allows.

NR: No rating has been requested, or there is insufficient information on which to base a rating.

Performance fee: The charge by the fund manager if certain performance levels are attained in a set period of time.

Relative: Difference between the performance of the fund and the performance of the benchmark. Can be positive (outperformance) or negative (underperformance).

SFDR: The European Commission's Sustainable Finance Disclosure Regulation (SFDR) is regulation on sustainability-related disclosures in the financial services sector. It sets out rules for financial market participants and financial advisers on transparency with regulation to the integration of sustainability risks and the consideration of adverse sustainability impacts in their processes and the provision of sustainability-related information with respect to financial products.

Share class: Each class invests in the same portfolio of securities and has the same investment objectives and policies. Each class has different shareholder services and/or distribution arrangements with different fees and expenses.

Spread duration: Spread duration is the sensitivity of the price of a bond to changes in its credit spread. The credit spread is the difference between the yield of a security and the yield of a benchmark rate, such as a cash interest rate or government bond yield. In general, the higher the duration the more a bond's price will drop as credit spreads rise.

Total expense ratio (TER): The ongoing costs associated with managing and operating an investment fund. This will include annual management fee, performance fee (if applicable) and some other expenses, but not the fund’s transactions costs such as dealing commissions.

Weighted rating: The average credit rating of the fund weighted by market exposure.

Yield to maturity: The total return anticipated on a bond if the bond is held until maturity, expressed as an annual rate.

Yield to worst: A measure of the lowest possible yield that can be received on a bond considering the fact that the bond issue could repay early, this calculation excludes the possibility the issuer defaults on any of it's payments.

Yield: The return an investor expects to receive each year over its term to maturity, taking into account changes in a bond's price.

Notes

1. Fundamental ESG risk rating is assigned at an issuer level by BlueBay. Categories range from 'very high' ESG risk rating to 'very low' ESG risk rating and is a function of the ESG risk profile of an issuer and how well it manages these risks.
2. Investment ESG score is assigned at an issuer level by BlueBay unless otherwise stated (i.e. assigned at the security level). Scores range from '+3' through to '-3' and indicates the extent to which ESG is considered investment materials, as well as the nature and scale of the materiality impact (i.e. positive credit impact, negative credit impact, no impact).

Legal disclaimer

This document is a marketing communication and has been issued by BlueBay Funds Management Company S.A. (BBFM S.A.), which is regulated by the Commission de Surveillance du Secteur Financier (CSSF). This document can also be issued by the following entities: in Germany, Italy, Spain and Netherlands the BBFM S.A. is operating under a branch passport pursuant to the Undertakings for Collective Investment in Transferable Securities Directive (2009/65/EC) and the Alternative Investment Fund Managers Directive (2011/61/EU). In Switzerland, by BlueBay Asset Management AG where the Representative and Paying Agent is BNP Paribas Securities Services, Paris, succursale de Zurich, Selnaustrasse 16, 8002 Zurich, Switzerland. The place of performance is at the registered office of the Representative. The courts at the registered office of the Swiss representative or at the registered office or place of residence of the investor shall have jurisdiction pertaining to claims in connection with the offering and/or advertising of shares in Switzerland. The Prospectus, the Key Investor Information Documents (KIIDs), the Packaged Retail and Insurance-based Investment Products - Key Information Documents (PRIIPs KID), where applicable, the Articles of Incorporation and any other document required, such as the Annual and Semi-Annual Reports, may be obtained free of charge from the Representative in Switzerland. In Japan, by BlueBay Asset Management International Limited which is registered with the Kanto Local Finance Bureau of Ministry of Finance, Japan. In Asia, by RBC Global Asset Management (Asia) Limited, which is registered with the Securities and Futures Commission (SFC) in Hong Kong. In Australia, RBC GAM UK is exempt from the requirement to hold an Australian financial services license under the Corporations Act in respect of financial services as it is regulated by the FCA under the laws of the UK which differ from Australian laws. In Canada, by RBC Global Asset Management Inc. (including PH&N Institutional) which is regulated by each provincial and territorial securities commission with which it is registered. RBC GAM UK is not registered under securities laws and is relying on the international dealer exemption under applicable provincial securities legislation, which permits RBC GAM UK to carry out certain specified dealer activities for those Canadian residents that qualify as "a Canadian permitted client", as such term is defined under applicable securities legislation. The entities noted above are collectively referred to as "RBC BlueBay" within this document. The registrations and memberships noted should not be interpreted as an endorsement or approval of RBC BlueBay by the respective licensing or registering authorities. Not all products, services or investments described herein are available in all jurisdictions and some are available on a limited basis only, due to local regulatory and legal requirements.

Please refer to the Prospectus of the fund, the Key Investor Information Documents (KIID) and the Packaged Retail and Insurance-based Investment Products - Key Information Documents (PRIIPs KID), if available, or any other relevant fund documentation on our website (www.rbcbluebay.com) before making any final investment decisions. The Prospectus and the PRIIPs KID is available in English and the KIIDs in several local languages. No RBC BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund (the "Offering Materials"). If there is an inconsistency between this document and the Offering Materials for the RBC GAM UK fund, the provisions in the Offering Materials shall prevail.

Any indices shown are presented only to allow for comparison of the RBC BlueBay fund's performance to that of certain widely recognised indices. The volatility of the indices may be materially different from the individual performance attained by a specific fund or investor. In addition, the RBC BlueBay fund holdings may differ significantly from the securities that comprise the indices shown. Indexes are unmanaged and investors cannot invest directly in an index.

Past performance is not indicative of future results. The information contained in this document has been compiled by RBC BlueBay, and/or its affiliates, from sources believed to be reliable but no representation or warranty, express or implied is made to its accuracy, completeness or correctness.

A summary of investor rights can be obtained in English on www.rbcbluebay.com/investorrights. It is important to note that the Fund Management Company may terminate arrangements for marketing under new Cross-border Distribution Directive denotification process. There are several risks associated with investing in financial products. With all investments there is a risk of loss of all, or a portion of the amount invested. Recipients are strongly advised to make an independent review with their own advisors and reach their own conclusions regarding the investment merits and risks, legal, credit, tax and accounting aspects of all transactions.

This document was prepared by RBC Global Asset Management (UK) Limited (RBC GAM UK), which is authorised and regulated by the UK Financial Conduct Authority (FCA), registered with the US Securities and Exchange Commission (SEC) and a member of the National Futures Association (NFA) as authorised by the US Commodity Futures Trading Commission (CFTC).

This document may not be reproduced in whole or part, and may not be delivered to any person without the consent of RBC BlueBay. Copyright 2024 © RBC BlueBay. RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) which includes RBC Global Asset Management (U.S.) Inc. (RBC GAM-US), RBC Global Asset Management Inc., RBC Global Asset Management (UK) Limited and RBC Global Asset Management (Asia) Limited, which are separate, but affiliated corporate entities. ® / Registered trademark(s) of Royal Bank of Canada and BlueBay Asset Management (Services) Ltd. Used under licence. BlueBay Funds Management Company S.A., registered office 4, Boulevard Royal L-2449 Luxembourg, company registered in Luxembourg number B88445. RBC Global Asset Management (UK) Limited, registered office 100 Bishopsgate, London EC2N 4AA, registered in England and Wales number 03647343. All rights reserved.