

BlueBay High Yield ESG Bond Fund

February 2022

Fund Performance (%) Gross of Fees (EUR)¹

For Professional Investors Only

	1M	3M	YTD	1YR	3YR ²	5YR ²	10YR ²	SI ^{2,3}
BlueBay High Yield ESG Bond Fund	-1.96	-2.24	-3.24	-0.26	4.93	4.51	5.86	9.14
ICE BAML European Currency High Yield Constrained Index ⁶	-3.11	-3.77	-4.58	-2.39	2.77	2.71	5.64	8.11
Alpha	1.15	1.53	1.34	2.13	2.16	1.80	0.22	1.03

Review & Outlook

Contributors

- Due to the environmental, social & governance credentials of the fund, the underweight to both utilities and energy was additive to fund performance. The top contributors to relative returns came from absolute underweight positioning in EDF and Gazprom.
- Both index credit hedges and interest-rate future positions were additive, as credit spreads widened over the month and Italian BTPs yields increased from 1.29% to a peak of 1.97%.
- The preference to be overweight B rated credit relative to BB rated credit was beneficial to excess returns, as single Bs outperformed due to their lower interest-rate sensitivity.

Detractors

- Overweight exposure to European banking was the main drag on excess returns, with Monte Dei Paschi the top detractor.

Outlook

- It has been an eventful period for risk assets and the full ramifications of Russian military action in Ukraine is still to be determined.
- From a risk perspective, we have thus far benefited from the cautiousness that we entered 2022 with. Our initial response across active portfolios has been to adjust our existing range of interest-rate and credit-derivative hedges.
- Our main concern for broader portfolios is that higher prices in oil, gas and broader commodities will have an impact on both inflation and growth.
- So far, corporates in our investment universe have generally been successful on increasing prices to customers, but concerns about stagflation in Europe is quite possible.
- We are biased to reduce the preference for B and CCC & below rated credits relative to BBs, though are being patient in terms of portfolio adjustment via physical bonds.
- In terms of regional exposure, we are overweight core US and European credit markets relative to an underweight bias to emerging markets.

Investment Objective

To achieve a total return in excess of the ICE BAML European Currency High Yield Constrained Index from a portfolio of fixed income securities

Investment Strategy

- The Fund invests predominantly in fixed income securities issued by sub-investment grade companies domiciled in Europe
- The Fund seeks to generate excess returns primarily via security selection; based upon high quality, proprietary research
- 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 of the Fund's ESG framework are available online www.bluebay.com/en/investment-expertise/esg/approach/

Calendar Year Performance (%) Gross of Fees¹ (EUR)

	2021	2020	2019	2018
Fund	4.60	6.47	11.23	-1.17
Benchmark	3.33	2.90	11.35	-3.45
Alpha	1.27	3.57	-0.13	2.27

Cumulative Relative Performance³ Gross of Fees¹ (EUR)⁷



Past performance is not indicative of future results.

Fund Characteristics⁸

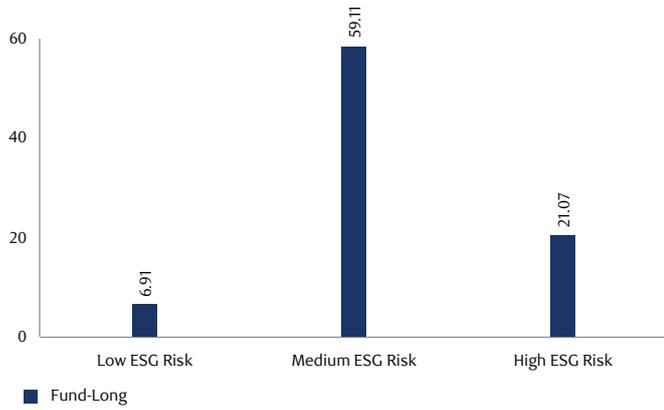
	Fund	Benchmark ⁶
Weighted interest rate duration (yrs)	2.95	3.68
Weighted spread duration (yrs)	3.47	4.43
Weighted yield to worst (%)	5.13	4.47
Weighted yield to worst non-cash diluted (%)	5.71	4.47
Weighted spread	518.00	446.00
Weighted coupon (%)	3.95	3.71
Weighted coupon non-cash diluted (%)	4.40	3.71
Total no. of issuers	114	449
Weighted rating	BB-	BB-
Average position (%)	0.57	0.10
FRNS and loans (%)	7.50	N/A

Note: Defaulted securities are excluded from Spread and Yield calculations.

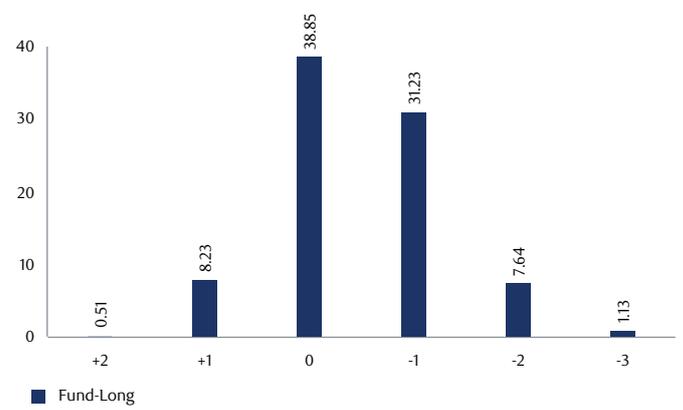
Risk Statistics⁴

Standard Deviation	5.83%
Tracking Error	3.12%
Information Ratio	0.32

BlueBay: Issuer Fundamental ESG (risk) Ratings (% NAV)



BlueBay: Security Investment ESG Scores (% NAV)



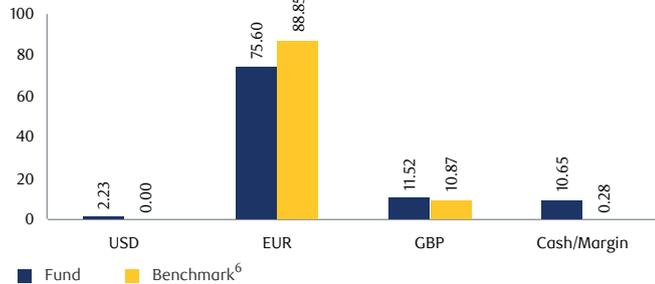
Top 5 Issuers (%)

Issuer	Weight (absolute)	Weight (relative)	BlueBay ESG Fundamental (Risk) Rating ⁹	BlueBay Investment ESG score ¹⁰
TDC Holding A/S	2.76	2.76	Medium ESG Risk	-1
Ford Motor Credit Co LLC	2.30	1.05	High ESG Risk	-2
Kraton Polymers LLC / Kraton Polymers Capital Corp	2.11	2.05	Medium ESG Risk	1
Avis Budget Finance Plc	2.08	1.90	Medium ESG Risk	-1
IPD 3 BV	1.86	1.77	Medium ESG Risk	0

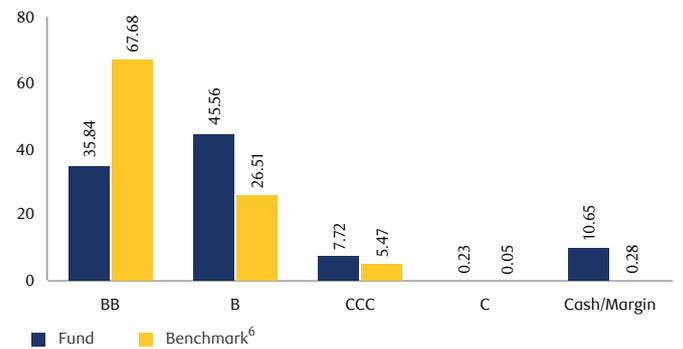
Top Sector Relative Weights (%)

Overweights		Underweights	
Telecommunications	4.77	Capital Goods	-5.25
Services	2.08	Utility	-4.47
Healthcare	1.47	Consumer Goods	-2.98
Financial Services	1.02	Energy	-2.54
Media	0.99	Automotive	-2.40

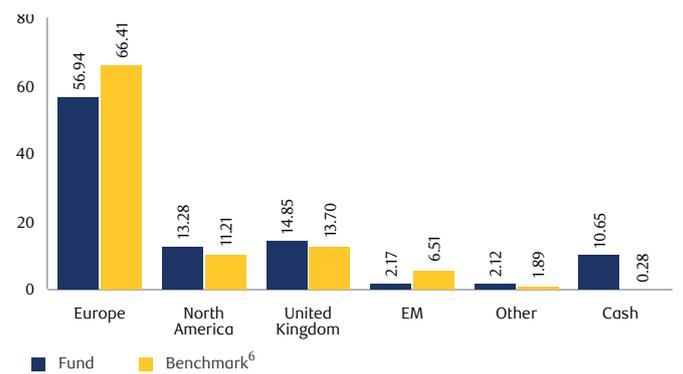
Currency Breakdown (Before Hedging % NAV)



Credit Quality Breakdown (% NAV)



Regional Breakdown by Domicile (% NAV)



Fund Facts

Total fund size ⁵	EUR 288m
Inception date	03 September 2002
Base currency	EUR
Benchmark	ICE BAML European Currency High Yield Constrained Index
Fund legal name	BlueBay High Yield ESG Bond Fund
Share classes	Information on available Share Classes and eligibility for this Fund are detailed in the BlueBay Funds Prospectus and Application Form
Fund type	UCITS
Domicile	Luxembourg
Investment manager	BlueBay Asset Management LLP

Team

	Joined BlueBay	Investment industry experience
Justin Jewell	April 2009	20 years
Rajat Mittal	March 2007	18 years
Size of team		36 investment professionals
Average investment industry experience		17 years

Contact Information

Marketing and Client Relations Department
77 Grosvenor Street
London W1K 3JR
tel: +44(0)20 7389 3775
marketing@bluebay.com
www.bluebay.com

1. While gross of fee figures would reflect the reinvestment of all dividends and earnings, it would not reflect the deduction of investment management and performance fees. An investor's return will be reduced by the deduction of applicable fees which will vary with the rate of return on the strategy. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance). In addition, the typical fees and expenses charged to a strategy will offset the strategy's trading profits. A description of the specific fee structure for each BlueBay strategy is contained in the strategy's prospectus.
2. Performance shown for 1yr periods onwards are annualised figures.
3. Since Inception
4. Risk statistics are annualised and calculated using weekly data points since inception. Risk statistics will be produced once there are 3 complete months of data available; for meaningful results a minimum sample of 36 data points is recommended and where history is less than 3 years caution should be taken with the interpretation and representation of this data. Returns for periods of less than 1 year have not been annualised in accordance with current industry standard reporting practices.
5. The Fund AUM is stated on a T+1 basis and includes non-fee earning assets.
6. Benchmark:ICE BAML European Currency High Yield Constrained Index
7. Goldman Sachs European Currencies High Yield Index to end June 04 and the BAML European Currency High Yield Constrained Index since July 04. All Relative returns are presented based on the arithmetic difference between the return of the fund and that of the benchmark. Standard Deviation is an annualised figure based on weekly gross returns of the fund annualised since inception.
8. All weighted calculations since April 2008 exclude non-interest rate bearing assets and non-debt related instruments.
9. Fundamental ESG (Risk) Rating is assigned at an issuer level by BlueBay. Categories range from 'very high' 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.
10. Investment ESG Score is assigned at an issuer level by BlueBay unless otherwise stated (i.e. assigned at the security level). Scores ranges from '+3' through to '-3' and indicates the extent to which ESG is considered investment material, as well as the nature and scale of the materiality impact (i.e. positive credit impact, negative credit impact, no impact).

This document is a marketing communication and it may be produced and issued by the following entities: in the European Economic Area (EEA), by BlueBay Funds Management Company S.A. (the ManCo), which is regulated by the Commission de Surveillance du Secteur Financier (CSSF). In Germany and Italy, the ManCo 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 the United Kingdom (UK) by BlueBay Asset Management LLP (BBAM LLP), which is authorised and regulated by the UK Financial Conduct Authority (FCA), registered with the US Securities and Exchange Commission (SEC) and is a member of the National Futures Association (NFA) as authorised by the US Commodity Futures Trading Commission (CFTC). 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 of the registered office of the Swiss representative shall have jurisdiction pertaining to claims in connection with the distribution of shares in Switzerland. The Prospectus, the Key Investor Information Documents (KIIDs), 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 Australia, BlueBay 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, BBAM LLP is not registered under securities laws and is relying on the international dealer exemption under applicable provincial securities legislation, which permits BBAM LLP 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 BlueBay group entities noted above are collectively referred to as "BlueBay" within this document. The registrations and memberships noted should not be interpreted as an endorsement or approval of BlueBay by the respective licensing or registering authorities. To the best of BlueBay's knowledge and belief this document is true and accurate at the date hereof. BlueBay makes no express or implied warranties or representations with respect to the information contained in this document and hereby expressly disclaim all warranties of accuracy, completeness or fitness for a particular purpose. The document is intended only for "professional clients" and "eligible counterparties" (as defined by the Markets in Financial Instruments Directive ("MiFID") or in the US by "accredited investors" (as defined in the Securities Act of 1933) or "qualified purchasers" (as defined in the Investment Company Act of 1940) as applicable and should not be relied upon by any other category of customer. In the United States, this document may also be provided by RBC Global Asset Management (U.S.) Inc. ("RBC GAM-US"), an SEC registered investment adviser. RBC Global Asset Management (RBC GAM) is the asset management division of Royal Bank of Canada (RBC) which includes BBAM LLP, RBC GAM-US, RBC Global Asset Management (Asia) Limited and RBC Global Asset Management Inc., which are separate, but affiliated corporate entities. This document has been prepared solely for informational purposes and does not constitute an offer or recommendation to buy or sell any security or investment product or adopt any specific investment strategy in any jurisdiction. There are several risks associated with investing in this product. Please refer to the Prospectus of the fund and to the Key Investor Information Documents (KIID), if available, or any other relevant fund documentation on BlueBay website before making any final investment decisions. In EEA where applicable, the Prospectus is available in English and the KIIDs in several local languages and they can be accessed and obtained on BlueBay website. No BlueBay fund will be offered, except pursuant and subject to the offering memorandum and subscription materials for such fund (the "Offering Materials"). This document is for general information only and is not a complete description of an investment in any BlueBay fund. If there is an inconsistency between this document and the Offering Materials for the BlueBay fund, the provisions in the Offering Materials shall prevail. You should read the Key Investor Information Document, where applicable, or the Prospectus carefully before investing in any BlueBay fund. Also, a summary of investor rights can be obtained in English on www.bluebay.com/investorrights. It is important to note that The ManCo may terminate arrangements for marketing under new Cross-border Distribution Directive denotification process. 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. Past performance is not indicative of future results.

While gross of fee figures would reflect the reinvestment of all dividends and earnings, it would not reflect the deduction of investment management and performance fees. An investor's return will be reduced by the deduction of applicable fees which will vary with the rate of return on the fund. For example, if there was an annualised return of 10% over a 5-year period then the compounding effect of a 0.60% management fee and a 0.20% performance fee would reduce the annualised return to 9.32% (figures used are only to demonstrate the effect of charges and are not an indicator of future performance). In addition, the typical fees and expenses charged to a fund will offset the fund's trading profits. A description of the specific fee structure for each BlueBay strategy is contained in the fund's prospectus. Unless otherwise stated, performance data is unaudited and net of management, performance and other fees. The investments discussed may fluctuate substantially in value and you may not get back the amount invested. An investor's actual performance and fees may differ from the performance information shown due to capital contributions, redemptions or withdrawals. All investments involve risk including the loss of principal and there is no guarantee that the fund investment objectives will be achieved. You should read the prospectus carefully before investing in any BlueBay fund.

Any indices shown are presented only to allow for comparison of the 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 BlueBay fund holdings may differ significantly from the securities that comprise the indices shown. Investors cannot invest directly in an index. No part of this document may be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, in whole or in part, for any purpose in any manner without the prior written permission of BlueBay. Copyright 2022 © BlueBay, is a wholly-owned subsidiary of RBC and BBAM LLP may be considered to be related and/or connected to RBC and its other affiliates. © Registered trademark of RBC. RBC GAM is a trademark of RBC. BlueBay Funds Management Company S.A., registered office 4, Boulevard Royal L-2449 Luxembourg, company registered in Luxembourg number B88445. BlueBay Asset Management LLP, registered office 77 Grosvenor Street, London W1K 3JR, partnership registered in England and Wales number OC370085. The term partner refers to a member of the LLP or a BlueBay employee with equivalent standing. Details of members of the BlueBay Group and further important terms which this message is subject to can be obtained at www.bluebay.com. All rights reserved.