

# Euro High Yield

## OBJECTIVE

Seeks to generate consistent excess returns versus the benchmark utilizing a conservative alpha investment process which combines a top-down market view with bottom-up corporate fundamental analysis

## BENCHMARK

85% BB ICE BofA Euro High Yield Non-Financial Constrained Index

15% ICE BofA Euro Subordinated Financial Index

## HIGHLIGHTS

- Actively managed strategy that primarily invests in the BB segment of the euro-denominated high yield market
- Managed approach to risk at a portfolio-, sector- and issuer level contributes to a low tracking-error
- Highly diversified portfolio by sector, rating and issuer
- May invest up to 30% of the assets in investment grade-rated securities
- Duration is managed within a narrow range to the benchmark

## INVESTMENT TEAM

- The team consists of seven portfolio managers with complementary backgrounds and skills.
- They use a sector approach, whereby all the team members are responsible for certain sectors as sector specialists. This means that they are responsible for conducting fundamental research as well as making relative value calls within their sectors.

### Rik den Hartog, CFA

Co-Head, Portfolio Manager  
Coverage: Banks, Basic Resources  
>13 years experience

### Luuk Cummins, CFA

Portfolio Manager  
Coverage: Healthcare, Real Estate, Retail  
>9 years experience

### Sipke Moes, CFA

Portfolio Manager  
Coverage: Chemicals, Media, Oil & Gas, Telecommunications  
>9 years experience

### Marco Zanotto

Portfolio Manager  
Coverage: Food & Beverage, Travel & Leisure, Utilities  
>3 years experience

### Pim van Mourik Broekman, CFA

Co-Head, Portfolio Manager  
Coverage: Automotive, Industrial Goods & Services, Insurance  
>20 years experience

### Quirijn Landman, CFA

Portfolio Manager  
Coverage: Financial Services, Infrastructure, Personal & Household Goods, Technology  
>9 years experience

### Ronald Schep

Portfolio Manager  
Coverage: Construction & Building Materials  
>11 years experience

## INVESTMENT PHILOSOPHY AND PROCESS

- Seek to build diversified portfolios with uncorrelated positions
- Strong risk orientation, beta-driven, focus on quality
- Combination of top-down view with bottom-up construction

TOP-DOWN PROCESS	BOTTOM-UP PROCESS
Setting Beta Ranges on Portfolio Level	Company Credit Analysis
Setting Beta Ranges on Sector Level	Trade Proposals by Sector Specialists
Setting Beta Limits on Issuer Level	Investment Committee Decides

## NIMBLE AND DISCIPLINED IMPLEMENTATION

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**KEY RISKS** - Credit Risk, Lower-Rated Securities Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Non-US Securities Risk, Currency Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

*This information is provided for informational purposes only and should not be construed as investment advice.*

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**There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.**

**Past performance is no guarantee of future results.**

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