ROBECO

Factsheet | Figures as of 30-04-2023

RobecoSAM Euro SDG Credits OE EUR

RobecoSAM Euro SDG Credits is an actively managed fund and provides a diversified exposure to the Euro investment grade credit market. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long term capital growth. The fund advances the UN Sustainable Development Goals (SDGs) by investing in companies whose business models and operational practices are aligned with targets defined by the 17 UN SDGs. The portfolio is built on the basis of the eligible investment universe and the relevant SDGs using an internally developed framework about which more information can be obtained via the website www.robeco.com/si. The fund can take some off-benchmark positioning in emerging markets, covered bonds and a limited exposure to high yield bonds.

Peter Kwaak, Jan Willem de Moor
Fund manager since 18-05-2010

Performance

	Fund	Index
1 m	0.50%	0.70%
3 m	-0.09%	0.24%
Ytd	1.74%	2.46%
1 Year	-4.71%	-4.28%
2 Years	-6.59%	-6.08%
3 Years	-3.01%	-2.56%
5 Years	-2.43%	-1.06%
Since 06-2015	-1.24%	0.28%

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
2022	-13.55%	-13.65%
2021	-1.79%	-0.97%
2020	2.91%	2.77%
2019	2.54%	6.24%
2018	-3.73%	-1.25%
2020-2022	-4.40%	-4.21%
2018-2022	-2.91%	-1.61%

Annualized (years)

Index

Bloomberg Euro Aggregate: Corporates

General facts

Morningstar	★★
Type of fund	Bonds
Currency	EUR
Total size of fund	EUR 1,086,111,462
Size of share class	EUR 147,198
Outstanding shares	1,758
1st quotation date	25-06-2015
Close financial year	31-12
Ongoing charges	0.92%
Daily tradable	Yes
Dividend paid	Yes
Ex-ante tracking error limit	2.50%
Management company	Robeco Institutional Asset Management B.V.
Management company	Robeco Institutional Asset Management B.V.

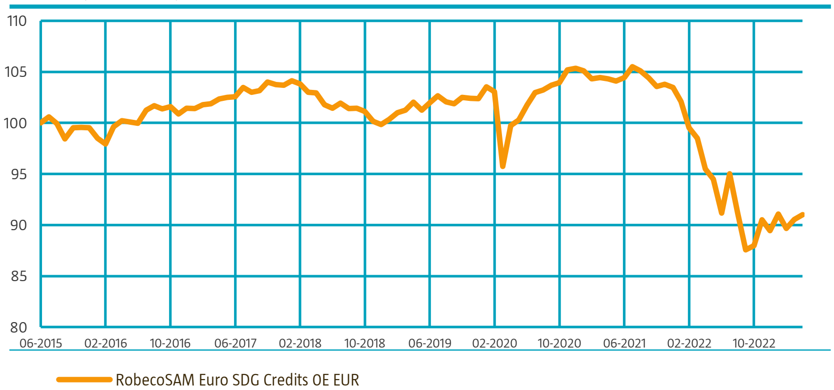
Sustainability profile

- Exclusions+
- ESG Integration
- Target Universe

For more information on exclusions see https://www.robeco.com/exclusions/
For more information on target universe methodology see https://www.robeco.com/si

Performance

Indexed value (until 30-04-2023) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 0.50%.
This return was driven by a decline in credit spreads: the average index spread ended the month at 162 basis points, 7 basis points tighter than at the end of March. Spreads reached an intra-month low at 154 basis points in mid-April, after which spreads widened in the last weeks of the month. The index excess return of corporate bonds over underlying government bonds was positive, at 0.5%. The performance of the underlying portfolio, measured gross of fees, was worse than that of the index. The portfolio had a beta overweight position during the month, which contributed positively. Unfortunately, the positive beta contribution was more than offset by a negative contribution from issuer selection. On a sector level, the underweight in real estate and the overweight in banking were both negative drivers. Although the contagion from the problems at banks in the US was limited, European bank paper still underperformed the broader market. On an individual name level, the largest positive contributors were the overweights in Vonovia and Commerzbank. The largest negative contributions were from the positions in Deutsche Bank, Rabobank, NIBC Bank and Westlake.

Market development

Financial markets were relatively calm in April, though spreads widened in the second half of the month. Problems in the US regional banking sector continued to pop up. First Republic Bank, which is mainly active in the market for wealthy clients, was the latest victim. The bank faces similar issues as other regional banks, with large unrealized losses on "assets held to maturity". In March, a group of larger US banks provided USD 30 bln of uninsured deposits to this bank to shore up liquidity. This did not turn the tide and the bank was finally acquired by JPMorgan. There was not much spillover of this stress at US regional banks to the European banking sector. The specific issues of deposit outflows and large exposures to commercial real estate are mostly a phenomenon for smaller US banks. The publication of first-quarter earnings by European banks demonstrated that the sector is in good health and that profitability is improving as a result of the more attractive interest rate environment. One European sector that continues to be under pressure as a result of higher interest rates is the real estate sector. We continue to underweight this sector.

Expectation of fund manager

Central banks have been experimenting with monetary policy for many years now. The economic system created debt in all corners of society. A fast and aggressive hiking cycle will reveal many problems, not just at Silicon Valley Bank. A recession could start somewhere toward the end of the year – and we believe central banks will cause one. Recent developments in the banking sector will lead to a further tightening of lending standards, which will put additional pressure on the economy. Our concern is with leveraged sectors that are interest rate sensitive like real estate. We have increased our overweight beta position during March. Valuations had improved after the spread widening, especially in the financial sector. We are far enough into the business and rate cycle that when markets become too bearish, buying on the dip makes sense. This time, the sell-off in bank Tier-1 CoCos and subordinated financials led to a buying opportunity in those segments. Valuations for non-financials are relatively less attractive and valuations for cyclicals are not fully reflecting recession risks at the moment.

Top 10 largest positions

The three largest positions are in financials. The exposure to banks was increased during the month. Often, we have more than one bond holding in a specific name.

Fund price

30-04-23	EUR	83.73
High Ytd (02-02-23)	EUR	85.63
Low Ytd (02-03-23)	EUR	82.78

Fees

Management fee	0.70%
Performance fee	None
Service fee	0.16%
Expected transaction costs	0.11%

Legal status

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

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

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

Registered in

Belgium, Luxembourg, Switzerland

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

In principle, the fund will distribute dividend annually.

Derivative policy

RobecoSAM Euro SDG Credits make use of derivatives for hedging purposes as well as for investment purposes. These derivatives are very liquid.

Fund codes

ISIN	LU1241712618
Bloomberg	ROBESEH LX
Valoren	28418183

Top 10 largest positions

Holdings	Sector	%
NN Group NV	Financials	2.30
BNP Paribas SA	Financials	2.17
HSBC Holdings PLC	Financials	2.07
Nestle Finance International Ltd	Industrials	1.96
Deutsche Bank AG	Financials	1.89
CaixaBank SA	Financials	1.85
Banque Federative du Credit Mutuel SA	Financials	1.83
Banco Santander SA	Financials	1.77
Erste Group Bank AG	Financials	1.58
Santander UK Group Holdings PLC	Financials	1.53
Total		**18.95**

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	0.68	1.33
Information ratio	0.62	-0.38
Sharpe ratio	-0.36	-0.23
Alpha (%)	0.42	-0.51
Beta	1.00	0.99
Standard deviation	6.13	6.18
Max. monthly gain (%)	4.29	4.34
Max. monthly loss (%)	-3.99	-7.11

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years	5 Years
Months outperformance	22	32
Hit ratio (%)	61.1	53.3
Months Bull market	19	31
Months outperformance Bull	11	15
Hit ratio Bull (%)	57.9	48.4
Months Bear market	17	29
Months Outperformance Bear	11	17
Hit ratio Bear (%)	64.7	58.6

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A2/A3	A3/BAA1
Option Adjusted Modified Duration (years)	4.6	4.5
Maturity (years)	4.8	5.0
Yield to Worst (%)	4.5	4.1
Green Bonds (%)	16.1	10.7

Changes

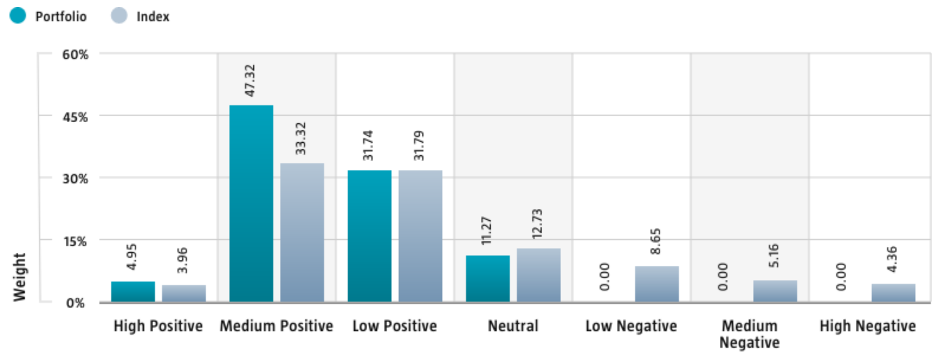
The benchmark of the fund is Bloomberg Barclays Euro-Aggregate: Corporates (EUR). The fund aims to outperform by taking positions that deviate from the benchmark within predefined risk limits. This share class of the fund hedged the interest rate duration until 10 December 2019 to nearly zero, therefore the benchmark of the fund was not representative. Since 11 December 2019, the duration hedge was removed and the benchmark is representative to compare the fund performance.

Sustainability

Sustainability is incorporated in the investment process by the means of a target universe, exclusions, ESG integration, and a minimum allocation to ESG-labeled bonds. The fund solely invests in credits issued by companies with a positive or neutral impact on the SDGs. The impact of issuers on the SDGs is determined by applying Robeco's internally developed three-step SDG Framework. The outcome is a quantified contribution expressed as an SDG score, considering both the contribution to the SDGs (positive, neutral or negative) and the extent of this contribution (high, medium or low). In addition, 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. ESG factors are integrated in the bottom-up security analysis to assess the impact of financially material ESG risk on the issuer's fundamental credit quality. Furthermore, the fund invests at least 10% in green, social, sustainable, and/or sustainability-linked bonds. Lastly, where a credit issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to exclusion.

SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco’s SDG Framework. The frameworks, which utilizes a three-step approach to assess a company’s impact alignment with the relevant SDGs, provides a methodology for assigning companies with an SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. If the data set does not cover the full portfolio, the figures shown above each impact level sum to the coverage level to reflect the data coverage of the portfolio, with minimal deviations that reflect rounding. Weights < 0.5% will show as 0. If an index has been selected, the same figures are also provided for the index. Holdings mapped as corporates and/or sovereign are included in the figures.
For more information, please visit https://www.robeco.com/docm/docu-brochure-robecosam-sdg-framework.pdf



Sector allocation

In our portfolio management, we not only factor in weights, but also spreads and durations (DTS). On that basis, we are overweight in financials and underweight in non-financials. The overweight in financials is mainly located in the banking sector, while the real estate sector is an underweight.

Sector allocation		Deviation index
Financials	51.9%	8.1%
Industrials	26.9%	-21.4%
Covered	8.8%	8.8%
Utilities	5.6%	-2.3%
Agencies	2.7%	2.7%
Treasuries	1.9%	1.9%
Cash and other instruments	2.3%	2.3%

Duration allocation

The intention of the fund is to have a duration position that is neutral against its benchmark.

Duration allocation		Deviation index
Euro	4.6	0.1

Rating allocation

We have no clear preference for specific rating buckets. Our positioning over the different buckets is therefore the result of beta positioning, sector themes and issuer selection.

Rating allocation		Deviation index
AAA	9.7%	9.4%
AA	9.5%	2.4%
A	30.6%	-11.1%
BAA	42.5%	-8.5%
BA	5.4%	5.4%
Cash and other instruments	2.3%	2.3%

Subordination allocation

In the banking sector, we like both senior and subordinated debt, including Tier-1 and Tier-2 capital. The absolute weight in Additional Tier-1 bank CoCos was increased from 0.8% to 2.6% at the start of March. For some corporates in the core European countries, there is an attractive spread pickup available by moving from senior debt into corporate hybrids.

Subordination type allocation		Deviation index
Senior	77.4%	-13.2%
Tier 2	13.1%	6.9%
Hybrid	4.5%	1.5%
Tier 1	2.6%	2.5%
Cash and other instruments	2.3%	2.3%

Investment policy
RobecoSAM Euro SDG Credits is an actively managed fund and provides a diversified exposure to the Euro investment grade credit market. The selection of these bonds is based on fundamental analysis. The fund has sustainable investment as its objective within the meaning of Article 9 of the European Sustainable Finance Disclosure Regulation. The fund advances the UN Sustainable Development Goals (SDGs) by investing in companies whose business models and operational practices are aligned with targets defined by the 17 UN SDGs. The fund integrates ESG (Environmental, Social and Governance) factors in the investment process, applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to normative, activity-based and region-based exclusions. The fund's objective is to provide long term capital growth. The portfolio is built on the basis of the eligible investment universe and the relevant SDGs using an internally developed framework about which more information can be obtained via the website www.robeco.com/si. The fund can take some off-benchmark positioning in emerging markets, covered bonds and a limited exposure to high yield bonds. 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, whilst still controlling relative risk through the applications of limits (on currencies and issuers) to the extent of 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 sustainable objective of the fund.

Fund manager's CV
Peter Kwaak is Portfolio Manager Investment Grade in the Credit team. Prior to joining Robeco in 2005, he was Portfolio Manager Credits at Aegon Asset Management for three years and at NIB Capital for two years. Peter has been active in the industry since 1998. He holds a Master's in Economics from Erasmus University Rotterdam and he is a CFA® charterholder. Jan Willem de Moor is Co-Head Portfolio Management Investment Grade in the Credit team. Prior to joining Robeco in 2005, he worked at the Dutch Medical professionals' pension fund as an Equity Portfolio Manager and at SNS Asset Management as an Equity Portfolio Manager. Jan Willem has been active in the industry since 1994. He holds a Master's in Economics from Tilburg University.

Team info
The RobecoSAM Euro SDG Credits fundis 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 0.05% 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.

Fiscal treatment of investor
Investors outside Luxembourg are subject to their national tax regime applying to foreign investment funds. We advise individual investors to contact their financial or fiscal adviser regarding their specific fiscal situation.

Morningstar

Febelfin disclaimer
The fact that the sub-fund has obtained this label does not mean that it meets your personal sustainability goals or that the label is in line with requirements arising from any future national or European rules. The label obtained is valid for one year and subject to annual reappraisal. For further information on this label, please visit www.towardssustainability.be.

Disclaimer
Source: Robeco. As of 30-04-2023, NAV to NAV in denominated currency of the respective share class with dividends re-invested. The performance figures are calculated starting from the first quotation date. ©2023 Morningstar. All Rights Reserved. The information contained here in: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely by Morningstar. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Investment involves risks. Historical return are provided for illustrative purposes only. Specific disclosure related to funds that invest in emerging markets: Funds which are invested in emerging markets may also involve a higher degree of risk than in developed markets. Specific disclosure related to funds that invest in high yield bonds: Investors should note that the investment strategy and risks inherent to the fund are not typically encountered in traditional fixed income long only funds.The price of units may go down as well as up and the past performance is not indicative of future performance. Investment returns not denominated in HKD/ USD are exposed to exchange rate fluctuations. Investors should refer to the fund's Hong Kong prospectus before making any investment decision. Investors should ensure that they fully understand the risk associated with the fund. Investors should also consider their own investment objective and risk tolerance level. Any opinions, estimates or forecasts may be changed at any time without prior warning. If in doubt, please seek independent advice. The content of this document is based upon sources of information believed to be reliable, but no warranty or declaration, either explicit or implicit, is given as to their accuracy or completeness. This fund may use derivatives as part of its investment strategy and such investments are inherently volatile and this fund could potentially be exposed to additional risk and cost should the market move against it. Investors should note that the investment strategy and risks inherent to the fund are not typically encountered in traditional equity long only funds. In extreme market conditions, the fund may be faced with theoretically unlimited losses. This document has not been reviewed by the Securities and Futures Commission.