



Summary document

Robeco UCITS ICAV - Robeco 3D Global Enhanced Index Credits UCITS ETF

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The product has the following E/S characteristics:

The Fund promotes the following E/S characteristics:

1. The Fund promotes having a lower carbon footprint than the Bloomberg Global Aggregate Corporate Index (the "Benchmark") (20% lower)
2. The Fund promotes having a lower environmental footprint than the Benchmark (20% lower for water and 20% lower for waste)
3. The Fund has a better weighted average ESG score than the Benchmark.
4. The Fund promotes investments in companies that have a better score than -3 on the internally developed SDG Framework.
5. In line with the Manager's exclusion policy, the Fund promotes: (i) a positive impact on climate change and the natural environment which is achieved through not investing in companies involved in oil sands and arctic drilling or that are engaged in the irresponsible use of raw materials; (ii) peace and stability which is achieved through not investing in certain companies involved with banned weapons and controversial weapons; (iii) the welfare of society which is achieved through not investing in companies that are involved in the production of tobacco; and (iii) the promotion of human rights and anti-corruption which is achieved through not investing in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. The Fund adheres to certain minimum environmental and social safeguards through applying exclusion criteria with regards to products and business practices that the Manager believes are detrimental to society, such as exposure to, controversial weapons and certain fossil fuel-related activities. Via its exclusion policy, the Manager excludes investments in companies involved in thermal coal through several categories. Additionally, investments in companies involved in oil sands and arctic drilling are excluded under the climate-related exclusion categories. These exclusion categories are a part of the Manager's approach to the SFDR PAI indicators related to greenhouse gas emissions and relate to the promoted environmental characteristics of the Fund.

For the E/S characteristics under 1, 2 and 3 above, reference is made to the Benchmark. The Benchmark is a broad market weighted index that is not necessarily consistent with the environmental and social characteristics as promoted by the Fund (i.e. any environmental and social governance characteristics promoted by the Benchmark, if any, do not have to be the same as the environmental and social characteristics promoted by the Fund). For the purpose of attaining the environmental and social characteristics promoted by the Fund no other reference benchmark is designated.

Investment Strategy

Robeco 3D Global Enhanced Index Credits UCITS ETF is actively managed and will apply the Manager's "3D" investment strategy, which seeks to consider risk, return and sustainability in the Fund's portfolio. The Fund's portfolio will be optimised using a quantitative process to target returns in excess of the Benchmark, to target better sustainability characteristics than the Benchmark, while managing risk compared to the Benchmark. The three dimensions of risk, return and sustainability are considered together in the Manager's proprietary quantitative ranking model, which is described further below.

The Fund aims to outperform the Benchmark by expressing the Manager's positive and negative views on eligible bonds. The Fund invests at least two-thirds of its total assets in non-government bonds issued globally, provided they carry a minimum rating of "BBB-" (or equivalent) from at least one recognized credit rating agency. The Fund may not invest in bonds rated below "BB-".

The relative attractiveness of bonds is determined using the Manager's proprietary quantitative ranking model, which considers proven return factors such as value, quality and momentum. The Manager overweights bonds with an attractive valuation issued by companies with a profitable operating business and strong price momentum. As a result of these overweight exposures, the Fund will have a corresponding underweight exposure to other bonds in the Benchmark. All decision making at portfolio level is based on the identification of under-valued and over-valued bonds which is the result of the bond's scoring on the Manager's proprietary quantitative ranking model and the settings of the Manager's portfolio construction algorithm that considers risk, return and sustainability.

Benchmark

Not applicable.

Planned asset allocation

The product plans to make a minimum amount of 40 sustainable investments. All investments are aligned with the E/S characteristics, with the exception of investments in the category "other" which are mostly cash and cash equivalents.

Monitoring and due diligence

Robeco has incorporated the sustainability aspects of the investment strategies into adequate investment due diligence processes and procedures for the selection and monitoring of investments, amongst others taking into account Robeco's risk appetite and sustainability risk management policies. Portfolio managers and analysts are primarily responsible for conducting investment due diligence on their strategies on a daily basis. They are supported by independent monitoring, performed by the Financial Risk Management and Investment Restrictions departments.

Data sources, methodologies and limitations

The product uses several sources for gathering sustainability data. Robeco scrutinises the data quality of each provider during due diligence assessments, that includes reviewing the data model, performing statistical checks and evaluating coverage. Data processing takes places in different forms, the preference is always to have data acquisition as automated as possible to avoid any operational risks or unnecessary human intervention.

Robeco maintains comprehensive methodology documents of our proprietary analytical frameworks on our website. In addition, for some social and environmental characteristics, Robeco relies on externally sourced content for which we aim to select the best of breed vendor for each of our target characteristics. The primary limitation to the methodology or data source is the lack of corporate disclosure. Like many other financial market participants, we struggle to find adequate information on the principal adverse indicators. To overcome this issue, Robeco has resorted to using multiple data providers, since each has its own respective strengths and weaknesses.

Engagement strategy

The holdings of the fund are subject to the selection process of Robeco's value engagement program, that consists of a constructive dialogue between investors and investee companies to discuss how they manage ESG risks and opportunities, as well as stakeholder impact. Although this type of engagement is not directly related to the sustainable investment objective of the fund, it can be that adverse sustainability impacts are addressed via the value engagement program.

More information can be found in Robeco's Stewardship Policy [Robeco's Stewardship Policy](#).