

# Robeco (LU) Funds III

2023

## Annual Report

Société d'Investissement à Capital Variable  
Incorporated under Luxembourg law  
RCS B 40 490

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# General Information

## Robeco (LU) Funds III

(hereafter the “**Company**” or the “**Fund**”)

Undertaking for collective investment in transferable securities incorporated as a ‘Société d’Investissement à Capital Variable’ (“**SICAV**”) under Luxembourg law. The sub-funds of the Fund are hereafter referred to as the “Sub-funds” and each of them are referred to as the “Sub-fund.”

### Register of Companies

RCS Luxembourg B 40 490

### Registered Office

6, route de Trèves  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

### Board of Directors

Mr. J.H. van den Akker (Director/Chairman)

Mr. I.R.M. Frielink (Director)

Mr. C.M.A. Hertz (Director)

Mr. P.F. van der Worp (Director)

Mrs. J.F. Wilkinson (Director)

Mr. J.H. van den Akker, Mr. P.F. van der Worp and Mr. I.R.M. Frielink are employees of Robeco Nederland B.V. (Affiliated Entity)

Mr. C.M.A. Hertz and Mrs. J.F. Wilkinson are independent directors.

### Management Company

Robeco Institutional Asset Management B.V.

Weena 850

3014 DA Rotterdam

The Netherlands

### Cabinet de révision agréé (independent auditor)

KPMG Audit S.à r.l.

39, Avenue John F. Kennedy

L-1855 Luxembourg

Grand Duchy of Luxembourg

### Depositary, Domiciliary and Paying Agent

J.P. Morgan SE, Luxembourg Branch

6, route de Trèves

L-2633 Senningerberg

Grand Duchy of Luxembourg

### Administration Agent and Registrar

J.P. Morgan SE, Luxembourg Branch

6, route de Trèves

L-2633 Senningerberg

Grand Duchy of Luxembourg

### Portfolio Manager

Robeco Institutional Asset Management B.V.

Weena 850

3014 DA Rotterdam

The Netherlands

## General Information (continued)

### **Subscriptions and publications**

No subscription can be accepted on the basis of financial reports such as this report. Subscriptions may only be accepted on the basis of the current prospectus, supplemented by the Company's latest annual report, and in the event that the Company's annual report has been published more than eight months previously, its latest semi-annual report. Financial reports, the prospectus and Key Information Document are available in through the website [www.robeco.com](http://www.robeco.com) and may be obtained free of charge at the Company's registered office.

### **Representative and paying agent in Switzerland**

ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zürich, is the Fund's representative in Switzerland. Copies of the Key Information Document and prospectus, articles of incorporation, (semi) annual reports and a list of all purchases and sales in the investment portfolio during the reporting period are available from the above address free of charge. UBS Switzerland A.G., Bahnhofstrasse 45, CH-8001 Zurich (Postal address Badenerstrasse 574, Postfach, CH-8098 Zürich) is the Company's paying agent in Switzerland.

### **Information service in Germany**

Copies of the articles of incorporation, Key Information Document and prospectus and the annual and semi annual reports may be obtained free of charge from the offices of the information service in Germany: Robeco Deutschland, Zweigniederlassung der Robeco Institutional Asset Management B.V., Taunusanlage 17, D-60325 Frankfurt am Main. The prices at which shares are issued and repurchased are published on [www.robeco.de](http://www.robeco.de). A list of all purchases and sales in the Company's investment portfolio during the reporting period is available at the paying agent/information service in Germany free of charge.

### **Robeco**

Where reference is made to 'Robeco', it refers to 'Robeco Institutional Asset Management B.V.', which includes the activities of the other entities which are in the scope of Robeco's management.

# Report of the Board of Directors

## General

### Website

An information update on the Fund's investment policies, returns and investment portfolio can be found on [www.robeco.com/riam](http://www.robeco.com/riam).

### Code of conduct

The Board of Directors adheres to the 11 principles of the Association of the Luxembourg Fund Industry ("ALFI") Code of Conduct for Luxembourg investment funds and considers the Fund to be in compliance with the principles in all material respects.

### Sub-funds closed during the year

Sub-fund	Effective date
Robeco High Yield Bonds Feeder Fund - zero duration	23/10/2023
Robeco Financial Institutions Bonds Feeder Fund - zero duration	23/10/2023

### Deactivated share classes during the year

Sub-fund	Share class	Effective date
Robeco High Yield Bonds Feeder Fund - zero duration	BX USD	23/10/2023
Robeco High Yield Bonds Feeder Fund - zero duration	D2 USD	27/09/2023
Robeco High Yield Bonds Feeder Fund - zero duration	D3 USD	23/10/2023
Robeco High Yield Bonds Feeder Fund - zero duration	DH EUR	23/10/2023
Robeco High Yield Bonds Feeder Fund - zero duration	FH EUR	23/10/2023
Robeco High Yield Bonds Feeder Fund - zero duration	I USD	23/10/2023
Robeco High Yield Bonds Feeder Fund - zero duration	IH EUR	23/10/2023
Robeco Financial Institutions Bonds Feeder Fund - zero duration	D EUR	23/10/2023
Robeco Financial Institutions Bonds Feeder Fund - zero duration	D3H USD	18/10/2023
Robeco Financial Institutions Bonds Feeder Fund - zero duration	I EUR	23/10/2023
Robeco Financial Institutions Bonds Feeder Fund - zero duration	IH USD	27/09/2023
Robeco Global Credits Feeder Fund - zero duration	IH USD	25/07/2023

## Report of the investment manager

### General market review

Economies grew in 2023 against a backdrop of a maturing monetary policy tightening cycle. In their successful battle against inflation, policymakers in the G7 raised policy rates by 425 basis points (calculated as a weighted average) between March 2022 and the end of 2023. Central banks seemed to have settled on keeping rates on hold by the end of 2023. A key feature of the 2023 economic landscape was that central banks managed to contain inflation without unemployment rising, delivering what has become known as "immaculate disinflation". From its 10.6% peak in October 2022, Eurozone consumer price inflation dropped to 2.9% by December 2023. While the Eurozone entered a recession, the unemployment rate in December 2023 stood at just 6.4%, an all-time low. While the weakness of the Eurozone's economic activity was mainly concentrated in the manufacturing sector at the start of 2023, there were indications of a slowdown in the services sector during the second half of the year.

The US economy defied prior consensus expectations that it would enter a recession in 2023. Leading macro indicators such as the inverted US sovereign bond yield curve and producer confidence surveys in the manufacturing sector had been flagging a looming slowdown for the business cycle before 2023 began. Yet the US real economy (in other words, corrected for inflation) expanded at an above-trend rate of 2.5% in 2023. Household consumption growth was the main reason, with spending power underpinned by high savings, real wage growth thanks to a tight US labor market and a lingering positive fiscal impulse. Japanese real activity expanded by a healthy 1.5% in 2023 against a backdrop of signs of sustained reflation and the corporate governance reforms initiated under former Prime Minister Abe starting to pay off.

Persistent weakness in China's housing market inhibited domestic consumption growth in 2023. While it achieved its official 2023 growth target of 5% due to exports of high-value-added items like electric vehicles and solar panels, China is experiencing a different macro cycle from the members of the G7. In fact, the country is battling deflation due to excess supply issues and ongoing efforts to deleverage. Chinese consumer price inflation fell to -0.5% year-on-year in November 2023.

# Report of the Board of Directors (continued)

## Risk Management

The presence of risks is inherent to the character of asset management. It is therefore very important to have a procedure for controlling these risks embedded in the company's day-to-day operations. The Management Company ensures that risks are effectively controlled via the three lines model: Robeco management (first line), the Compliance and Risk Management departments (second line) and the Internal Audit department (third line).

The Robeco management team is primarily responsible for risk management as part of its day-to-day activities. The Compliance and Risk Management departments develop and maintain policies, methods and systems that enable the management to fulfill their responsibilities relating to risk. Furthermore, portfolios are monitored by these departments to ensure that they remain within the investment restrictions under the Terms and Conditions for Management and Custody and the information memorandum, and to establish whether they comply with the internal guidelines. The Risk Management Committee decides how the risk-management policies are applied and monitors whether risks remain within the defined limits. The Group Internal Audit department carries out audits to assess the effectiveness of internal control.

Robeco uses a risk management and control framework that helps control all types of risk. Within this framework, risks are periodically identified and assessed as to their significance and materiality. Internal procedures and measures are focused on providing a structure to control both financial and operational risks. Management measures are included in the framework for each risk. Active monitoring is performed to establish the effectiveness of the procedures and measures of this framework.

### Operational risk

Operational risk is the risk of loss as a result of inadequate or failing processes, people or systems. Robeco constantly seeks opportunities to simplify processes and reduce complexity in order to mitigate operational risks. Automation is a key resource in this regard and Robeco uses systems that can be seen as the market standard for financial institutions. The use of automation increases the IT risk. This risk can be divided into three categories. The risk that unauthorized persons gain access is managed by means of preventive and detective measures to control access to the network and to systems and data. Processes such as change management and operational management ensure monitoring of a working system landscape. Lastly, business continuity measures are in place to limit the risk of breakdown as far as possible and to restore operational effectiveness as soon as possible in the event of disaster. The effectiveness of these measures is tested regularly both internally and externally.

### Compliance risk

Compliance & Integrity risks embody the risk of corporate and individual behaviour that leads to insufficient compliance with laws and regulations and internal policies to such an extent that in the end this may cause serious damage to confidence in Robeco and in the financial markets. Robeco's activities – collective and individual portfolio management – are subject to European and local rules of financial supervision. Observance of these rules is supervised by the national competent authorities (in the Netherlands the Authority for the Financial Markets, AFM and the Central Bank of the Netherlands, DNB). It is in the interest of both Robeco and the investors in Robeco-managed funds that Robeco complies with all the applicable laws and regulations.

With regard to the funds and counterparties, external worldwide events have had effect on financial institutions, specifically in the field of Sanctions regulations. Robeco follows applicable sanctions of the Netherlands, UN, EU, UK and US, as amended and/or supplemented from time to time, and any mandatory (investment) restrictions deriving therefrom. In case of conflicting sanctions the applicable sanctions from the EU will prevail at all times. In 2022, Russia has committed a violation of international law by invading a sovereign state. While Robeco didn't own Russian sovereign bonds, Robeco has officially excluded these bonds for the funds and placed buying restrictions on Russian equities and corporate bonds.

The past few years the level of regulation has increased consistently while the regulatory environment is evolving as well by moving from a principle-based to a more rule and evidence based environment. Robeco actively follows these regulatory developments and is in continuous effort to incorporate all regulatory changes to ensure compliance with rules and regulations. Robeco performs annual Systematic Integrity Risk Assessments ("SIRAs") to further identify and assess compliance and integrity risks and the control measures that mitigate these risks. If needed, follow-up actions will be discussed with the business to further mitigate the integrity risks.

Changes in the field of legislation, regulation and external events that could affect the funds managed by Robeco also took place in 2023. The EU regulatory framework on sustainable finance, consisting of multiple pieces of legislation, including the Sustainable Finance Disclosure Regulation (SFDR), Taxonomy Regulation and amendments to existing frameworks (including the UCITS Directive and AIFMD), introduced extended reporting and disclosures, aiming for increased comparability between sustainable funds and to avoid greenwashing. The framework also requires the integration of sustainability (risks) in the organization, governance, risk management and investment processes of Robeco. The requirements entered into force in 2021. In addition to the work that has been undertaken in 2022 to further implement the SFDR Regulatory Technical Standards, in 2023 Robeco has incorporated new (prescribed) SFDR periodic reporting templates in the annual reports of the funds. In 2023, Robeco also introduced Principal Adverse Impact statements on an entity level (such PAI statements contain sustainable investment metrics, aggregated for all Robeco-managed funds and discretionary managed accounts).

# Report of the Board of Directors (continued)

## Risk Management (continued)

### Compliance risk (continued)

All Sub-funds of Robeco (LU) Fund III are classified as Article 8 by the SFDR. More information is available in the precontractual SFDR disclosures of the Fund on the Robeco website. Attached to this annual report for each article 8 Sub-fund an Annex IV disclosure can be found with details of the achieved ESG characteristics over the reporting period.

Furthermore, Robeco implemented the new Key Information Document for its funds offered to retail clients in line with the Packaged Retail Investment & Insurance -based Products (PRIIPs) which entered into force as of 1 January 2023.

### Developments Financial Risk Management

Robeco has been continuously working to further enhance its risk management methodologies, infrastructure and processes. In 2023 development of the risk data infrastructure continued. Development of the data warehouse takes place in close cooperation with the vendor of the risk management platform. A more centralized storage of risk data allows for improved operational efficiency throughout the company. Over the course of 2023, the risk management framework has been further enhanced to support the investment in complex financial derivative instruments and new investment strategies.

Market risk in investment portfolio's is monitored on an ongoing basis using ex ante risk measures such as tracking error, volatility or value at risk based measures. Additionally, stress tests are conducted to test the portfolios resilience to various adverse scenarios for both market risk and liquidity risks. Counterparty creditworthiness is monitored on a daily basis. Counterparty exposures and the associated exchange of collateral are monitored frequently in accordance with our counterparty risk framework.

# Report of the Board of Directors (continued)

## Investment results

### Investment results

	Investment result reporting period in %	Reference index return reporting period in %	Investment result 3 years average or since inception	Reference index return 3 years average or since inception	Reference index
<b>Robeco QI Long/Short Dynamic Duration</b>					
Class D EUR shares	6.9	3.3	1.4	0.9	ICE BofA ESTR Overnight Rate Index (EUR)
Class DH CHF shares	4.8	1.5	0.5	0.2	ICE BofA SARON Overnight Rate Index (CHF)
Class DH USD shares	8.8	5.2	2.9	2.3	ICE BofA SOFR Overnight Rate Index USD)
Class E EUR shares <sup>1</sup>	6.9	3.3	1.4	0.9	ICE BofA ESTR Overnight Rate Index EUR)
Class F EUR shares	7.2	3.3	1.8	0.9	ICE BofA ESTR Overnight Rate Index EUR)
Class G EUR shares <sup>1</sup>	7.2	3.3	1.8	0.9	ICE BofA ESTR Overnight Rate Index (EUR)
Class I EUR shares	7.3	3.3	1.9	0.9	ICE BofA ESTR Overnight Rate Index (EUR)
Class IH CHF shares	5.2	1.5	1.0	0.2	ICE BofA SARON Overnight Rate Index (CHF)
Class IH USD shares	9.2	5.2	3.4	2.3	ICE BofA SOFR Overnight Rate Index (USD)
Class MH USD shares	7.7	5.2	1.9	2.3	ICE BofA SOFR Overnight Rate Index (USD)
<b>Robeco High Yield Bonds Feeder Fund – zero duration</b>					
Class BX USD shares <sup>1</sup>	6.8 <sup>2</sup>		3.6 <sup>4</sup>		NA
Class D2 USD shares	6.6 <sup>3</sup>		3.6 <sup>5</sup>		NA
Class D3 USD shares <sup>1</sup>	6.4 <sup>2</sup>		3.4 <sup>4</sup>		NA
Class DH EUR shares	4.8 <sup>2</sup>		2.0 <sup>4</sup>		NA
Class FH EUR shares	5.2 <sup>2</sup>		2.5 <sup>4</sup>		NA
Class I USD shares	7.2 <sup>2</sup>		4.5 <sup>6</sup>		NA
Class IH EUR shares	5.4 <sup>2</sup>		2.6 <sup>4</sup>		NA
<b>Robeco Financial Institutions Bonds Feeder Fund – zero duration</b>					
Class D EUR shares	3.8 <sup>2</sup>		0.2 <sup>4</sup>		NA
Class D3H USD shares <sup>1</sup>	5.0 <sup>9</sup>		1.2 <sup>10</sup>		NA
Class I EUR shares	4.0 <sup>2</sup>		0.6 <sup>4</sup>		NA
Class IH USD shares	5.8 <sup>3</sup>		2.4 <sup>5</sup>		NA
<b>Robeco Global Credits Feeder Fund – zero duration</b>					
Class IH GBP shares	8.5		2.6		NA
Class IH USD shares	5.2 <sup>7</sup>		2.3 <sup>8</sup>		NA

<sup>1</sup> Assuming reinvestment of the distributed dividend. See Notes on page 16.

<sup>2</sup> Concerns the period from 31 December 2022 through 23 October 2023.

<sup>3</sup> Concerns the period from 31 December 2022 through 27 September 2023.

<sup>4</sup> Concerns the period from 31 December 2020 through 23 October 2023.

<sup>5</sup> Concerns the period from 31 December 2020 through 27 September 2023.

<sup>6</sup> Concerns the period from 23 November 2021 through 23 October 2023.

<sup>7</sup> Concerns the period from 31 December 2022 through 25 July 2023.

<sup>8</sup> Concerns the period from 31 December 2020 through 25 July 2023.

<sup>9</sup> Concerns the period from 31 December 2022 through 18 October 2023.

<sup>10</sup> Concerns the period from 31 December 2020 through 18 October 2023.

# Report of the Board of Directors (continued)

## Performance analysis

### **Robeco QI Long/Short Dynamic Duration**

Over the reporting period, Robeco QI Long/Short Dynamic Duration generated a return of 7.8% (gross of fees in EUR), against a return of 3.3% for its reference index, the ICE BofA ESTR Overnight Rate Index (in EUR).

The quantitative model driving the duration positioning signalled rising US yields from June to October 2023 driven by the low-risk, valuation, inflation and trend variables. The Sub-fund benefited from rising yields in this period with short positions in bond futures. The model turned positive on bonds in the last months of the year, driven by signs of weaker US growth and a turn in Fed policy, lower inflation and later also by the trend variable. With long duration positions, the Sub-fund benefited from the decline in yields in December, like it did in January and in Japan in other months of the year as well. The Sub-fund thus generated performance both with long and short duration positions. The active duration positions in each of the three regions contributed to the performance.

The portfolio of short-dated bonds underlying the duration overlay contains no bonds from companies with elevated sustainability risks or breaches of ILO standards or the Global Compact and no bonds from countries with low ESG scores or weak control of corruption.

### **Robeco High Yield Bonds Feeder Fund – zero duration**

Over the reporting period until the liquidation of the Sub-fund, Robeco High Yield Bonds Feeder Fund – zero duration generated a return of 5.4% (net of fees hedged into EUR).

This positive return was largely driven by a decline of credit spreads, as the interest rate sensitivity of the Feeder fund was managed close to zero. This Feeder fund was invested for around 94% in its Master fund, Robeco CGF High Yield Bonds, with an additional overlay of interest rate swaps to hedge the interest rate risk. It also used credit derivatives to manage the credit beta in line with its Master fund. The Feeder fund was liquidated on 19 October 2023.

Over the reporting period until the liquidation of the Feeder fund, the Master fund, Robeco High Yield Bonds, generated a return of 4.1% (gross of fees hedged into EUR), against a return of 4.8% for its reference index, the Bloomberg US Corp. HY & Pan Eur. HY. Ex Fin. 2.5% Issuer Cap (hedged into EUR).

In an environment of aggressive monetary tightening and strongly rising government bond yields, high yield managed to perform well. The cautious positioning of the Feeder b-fund resulted in underperformance of the Feeder fund versus its reference index. The cautious positioning helped to avoid some large single name losers in the reference index such as Altice, Bausch, Lumen, Dish and Casino but this was offset by not owning some distressed names that partly recovered from their losses in 2022. With respect to sustainable investing, the Feeder fund has integrated ESG factors into the investment process. The prime goal of integrating ESG factors into the analysis is to strengthen the ability to assess the downside risk of the credit investments.

This Feeder fund was a Feeder Fund of Robeco High Yield Bonds, a Sub-fund of Robeco Capital Growth Funds. The Feeder Fund invested at least 85 % of its net asset value in units of the Z2H share class of the Master Fund. The Sub-fund invests up to a maximum of 15% of its assets in derivatives to target a duration of 0 year. Under normal circumstances it was the intention to manage the duration within a bandwidth of -1 and 1 year. The duration overlay led to a difference in duration between the Feeder Fund and the Master Fund and therefore to intended differences in the performance between the Feeder Fund and the Master Fund.

### **Strategy Robeco High Yield Bonds**

The Sub-fund invests at least two-thirds of its total assets in bonds, asset-backed securities and similar fixed income securities with a rating of BBB+ or equivalent or lower by at least one of the recognized rating agencies, or with no rating.

### **Robeco Financial Institutions Bonds Feeder Fund – zero duration**

Over the reporting period until the liquidation of the Sub-fund, Robeco Financial Institutions Bonds Feeder Fund – zero duration generated a return of 4.1% (net of fees hedged into EUR). The positive return was largely driven by a decline of credit spreads, as the interest rate sensitivity of the fund is managed close to zero. This Feeder fund was invested for around 94% in its Master fund, Robeco CGF Financial Institutions Bonds, with an additional overlay of interest rate swaps to hedge the interest rate risk. The Feeder fund was liquidated on 19 October 2023.

This Sub-fund is a Feeder Fund of Robeco Financial Institutions Bonds, a Sub-fund of Robeco Capital Growth Funds. The Feeder Fund invested at least 85 % of its net asset value in units of the Z2H share class of the Master Fund. The Sub-fund invested up to a maximum of 15% of its assets in derivatives to target a duration of 0 year. In normal circumstances it was the intention to manage the duration within a bandwidth of -1 and 1 year. The duration overlay would led to a difference in duration between the Feeder Fund and the Master Fund and therefore to intended differences in the performance between the Feeder Fund and the Master Fund.

# Report of the Board of Directors (continued)

## Performance analysis (continued)

### **Robeco Financial Institutions Bonds Feeder Fund – zero duration (continued)**

Over the reporting period until the liquidation of the Feeder fund, the Master fund Robeco Financial Institutions Bonds generated a return of 3.5% (gross of fees in EUR), against a return of 3.1% for its reference index, the Bloomberg Euro-Aggregate: Corp. Fin. Subordinated 2% Issuer Cap (in EUR). Spread performance driven by the high carry of subordinated debt explained most of the positive index return. The outperformance of the Master fund was mainly driven by the top-down beta positioning. The Master fund started the year with a fairly cautious positioning, but following the spread widening in March the beta of the portfolio was increased to a larger overweight positioning. Adding to the off-reference index position in Contingent Convertibles (“CoCos”) helped to increase the portfolio beta after the widening in March, thereby contributing positively to the performance in the remainder of the year. On a risk-adjusted basis CoCos lagged the rest of the market though. This means that the exposure to CoCo bonds contributed negatively to issuer selection. On the other hand, the underweight position in real estate hybrids contributed positively. ESG factors are taken into account when assessing the fundamental credit quality of individual issuers. The Master fund also invested in subordinated green, social and sustainability bonds, the exposure in the portfolio is circa 8.5%.

### **Strategy Robeco Financial Institutions Bonds**

The Sub-fund invests primarily (at least 70% of its total assets) in subordinated non-government bonds and similar non-government fixed income securities (CoCo bonds included) with a minimal rating of "BBB-" or an equivalent by at least one of the recognized rating agencies, and which are issued by financial institutions, denominated in the EURO currency. The Sub-fund may continue to hold such non-government bonds and similar non-government fixed income securities even if they are subsequently downgraded.

### **Robeco Global Credits Feeder Fund – zero duration**

Over the reporting period, Robeco Global Credits Feeder Fund – zero duration generated a return of 9.1% (gross of fees hedged into GBP).

This positive return was largely driven by a decline of credit spreads, as the interest rate sensitivity of the fund is managed close to zero. This feeder fund was invested for around 94% in its Master fund, Robeco CGF Global Credits, with an additional overlay of interest rate swaps to hedge the interest rate risk. It also used credit derivatives to manage the credit beta in line with its Master fund.

This Feeder fund was a Feeder Fund of Robeco Global Credits, a Sub-fund of Robeco Capital Growth Funds. The Feeder Fund invested at least 85 % of its net asset value in units of the Z2H share class of the Master Fund. The Sub-fund invested up to a maximum of 15% of its assets in derivatives to target a duration of 0 year. In normal circumstances it was the intention to manage the duration within a bandwidth of -1 and 1 year. The duration overlay would lead to a difference in duration between the Feeder Fund and the Master Fund and therefore to intended differences in the performance between the Feeder Fund and the Master Fund.

Over the reporting period, the Master fund Robeco Global Credits generated a return of 8.7% (gross of fees hedged into GBP), against a return of 8.0% for its reference index, the Bloomberg Global Aggregate - Corporates (hedged into GBP). Over the year, the return was dominated by continuously rising interest rates driven by persistent high inflation in the first three quarters and a bond market rally close to the end of the year. During the summer US rates briefly peaked above 5%. During the last quarter of the year, inflation finally came down, causing rates and other markets to rally. At the end of the year the consensus view had shifted towards a soft landing. Spreads compressed to the year's lowest level. The US market outperformed the European as the latter region is on the edge of a recession.

March saw the collapse of Silicon Valley Bank and Credit Suisse. This led to peak spread levels for banks across the globe. The Master fund strategically added risk during this period by adding in additional Tier 1 and Tier 2 bank bonds.

The Master fund's top-down positioning contributed to its performance, initiating the year with a credit beta above 1, securing profits in February and adding back risk in March during the banking crisis. Issuer selection had a positive contribution to performance, with key contributors being Carnival Cruises, Tennet and Cellnex. The Master fund also invests in green, social, sustainability and sustainability-linked bonds, with exposure around 7% at period-end.

### **Strategy Robeco Global Credits**

The Sub-fund invests at least two-thirds of its total assets in non-government bonds (which may include CoCo bonds) and similar non-government fixed income securities and asset backed securities from all around the world. The Sub-fund will not invest into assets with a rating lower than "B-" by at least one of the recognized rating agencies. The Sub-fund strives for economic results, while at the same time taking into account environmental, sustainable and social objectives. In the assessment, areas such as a company's corporate strategy, corporate governance, transparency, as well as the product and service range that a company offers are taken into account. As at 31 December 2023, Robeco Financial Global Credits Feeder Fund – zero duration owns 15.4% of Robeco Global Credits.

Past performance is no indication of current or future performance. These performance data do not take account of the commissions and costs incurred on the issue and redemption of shares.

# Report of the Board of Directors (continued)

## Sustainable Investing

All Robeco's investment activities are in accordance with the Principles for Responsible Investing (PRI). Responsibility for implementing sustainable investing lies with Robeco's CIO, who holds a seat on Robeco's Executive Committee.

Fulfilling the responsibilities in the field of stewardship forms an integral part of Robeco's approach to sustainable investing. Robeco publishes its own stewardship policy on the website. This policy describes how Robeco deals with possible conflicts of interest, how the companies in which the sub-funds invest are monitored, how the activities in the field of engagement and voting are conducted, and how the stewardship activities are reported.

Robeco has research available from leading sustainability experts, including own proprietary research from the sustainable investing research team. This dedicated sustainable investing research team works together very closely with the investment teams to provide them with in-depth sustainability information. The investment analysis focuses on the most material ESG factors and the connection with the financial performance of a company. Robeco can then focus on the most relevant information in performing the investment-analysis and can reach enhanced investment decisions.

To help customers contribute to their sustainable investment objectives, Robeco has developed a methodology that analyses the contribution of investee companies to the Sustainable Development Goals (SDGs) and has developed SDG investment solutions. Furthermore, Robeco contributes to the SDGs by integrating ESG factors in its decision-making process for investments and encourages companies to act in support of these goals by means of a constructive dialogue.

Robeco's climate change policy is focused on integrating climate issues in investments when financially material and engaging with companies. Furthermore climate risks for the funds are assessed and monitored by Robeco's financial risk management department.

Robeco pursues an exclusion policy for companies that are involved in the production of or trade in controversial weapons such as cluster munitions and anti-personnel mines, for tobacco companies and for companies that seriously and habitually violate either the United Nations Global Compact (UNGC) or the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Robeco applies strict criteria for this last category and if a dialogue fails, the company can be excluded. Robeco publishes its exclusion policy and the list of exclusions on its website.

All Sub-funds of Robeco (LU) Funds III are classified as Article 8 by the SFDR. More information is available in the precontractual SFDR disclosures of the Fund on the Robeco website. Attached to this annual report for each article 8 Sub-fund an Annex IV disclosure can be found with details of the achieved ESG characteristics over the reporting period.

Luxembourg, 26 April 2024

The Board of Directors

# Robeco (LU) Funds III

## Combined Statement of Net Assets

As at 31 December 2023

	<b>Robeco QI Long/Short Dynamic Duration EUR</b>	<b>Robeco Global Credits Feeder Fund – zero duration EUR</b>	<b>Combined EUR</b>
<b>Assets</b>			
Investments in securities at cost	45,937,952	495,145,860	541,083,812
Unrealised gain/(loss)	52,464	(22,819,755)	(22,767,291)
Investments in securities at market value	45,990,416	472,326,105	518,316,521
Cash at bank and at brokers	609,039	40,190,990	40,800,029
Receivables on subscriptions	48,891	–	48,891
Interest receivable	350,924	2,457,607	2,808,531
Unrealised gain on financial futures contracts	438,902	7,800	446,702
Unrealised gain on forward currency exchange contracts	73,160	574,777	647,937
Swap contracts at fair value	–	9,891,805	9,891,805
<b>Total assets</b>	<b>47,511,332</b>	<b>525,449,084</b>	<b>572,960,416</b>
<b>Liabilities</b>			
Bank overdrafts	–	456,780	456,780
Due to brokers	92,396	7,622,377	7,714,773
Payables on redemptions	333	–	333
Interest payable	–	202,938	202,938
Management fees payable	15,747	163,093	178,840
Unrealised loss on financial futures contracts	57,181	5,935,423	5,992,604
Unrealised loss on forward currency exchange contracts	30,398	2,607,888	2,638,286
Swap contracts at fair value	–	743,332	743,332
Other liabilities	7,283	61,601	68,884
<b>Total liabilities</b>	<b>203,338</b>	<b>17,793,432</b>	<b>17,996,770</b>
<b>Total net assets</b>	<b>47,307,994</b>	<b>507,655,652</b>	<b>554,963,646</b>

<b>Feeder Funds</b>	<b>Master Funds*</b>	<b>Aggregate Charges** EUR</b>
Robeco High Yield Bonds Feeder Fund – zero duration	Robeco High Yield Bonds***	162,381
Robeco Financial Institutions Bonds Feeder Fund – zero duration	Robeco Financial Institutions Bonds***	6,235
Robeco Global Credits Feeder Fund – zero duration	Robeco Global Credits***	3,352,412

\* More information on the investment policy, investment results and ownership of the Master Funds can be found on page 9 and 10.

\*\* Covers the part of the charges allocated to the feeder fund and the part allocated to the share-class Z2H of the master funds Robeco High Yield Bonds, Robeco Global Credits, Robeco European High Yield Bonds and share-class Z2 of the master fund Robeco Financial Institutions Bonds.

\*\*\* These sub-funds are part of Robeco Capital Growth Funds. The annual and semi-annual report of Robeco Capital Growth Funds are available in through the website [www.robeco.com](http://www.robeco.com) and may be obtained free of charge at the Company's registered office.

The accompanying notes form an integral part of these financial statements.

# Robeco (LU) Funds III

## Combined Statement of Operations and Changes in Net Assets

For the year/period ended 31 December 2023

	Robeco QI Long/Short Dynamic Duration EUR	Robeco High Yield Bonds Feeder Fund – zero duration <sup>(1)</sup> USD	Robeco Financial Institutions Bonds Feeder Fund – zero duration <sup>(2)</sup> EUR	Robeco Global Credits Feeder Fund – zero duration EUR
<b>Net assets at the beginning of the year</b>	<b>64,105,462</b>	<b>44,632,349</b>	<b>1,091,430</b>	<b>504,414,390</b>
<b>Income</b>				
Interest income from investments, net of withholding taxes	761,782	–	–	–
Interest on swap contracts	–	126,378	475	5,081,145
Securities lending income	9,452	–	–	–
Bank interest	60,056	77,499	1,226	932,196
<b>Total income</b>	<b>831,290</b>	<b>203,877</b>	<b>1,701</b>	<b>6,013,341</b>
<b>Expenses</b>				
Management fees	237,760	131,374	5,103	2,106,988
Service fees	71,194	32,651	1,111	632,102
Taxe d'abonnement	11,659	(970)	(75)	3,625
Bank and other interest expenses	7,113	2,062	37	28,987
Interest on swap contracts	–	8,124	–	533,599
<b>Total expenses</b>	<b>327,726</b>	<b>173,241</b>	<b>6,176</b>	<b>3,305,301</b>
<b>Net investment income/(loss)</b>	<b>503,564</b>	<b>30,636</b>	<b>(4,475)</b>	<b>2,708,040</b>
Net realised gain/(loss) on:				
Sale of investments	(252,659)	3,877,557	(47,518)	(9,465,661)
Financial futures contracts	1,516,008	682,171	28,098	9,020,566
Forward currency exchange contracts	74,442	2,649,494	4,481	9,542,700
Swaps contracts	–	1,073,286	(3)	16,522,542
Currency exchange	(68,763)	(857,353)	(1,340)	(3,246,480)
<b>Net realised gain/(loss) for the year/period</b>	<b>1,269,028</b>	<b>7,425,155</b>	<b>(16,282)</b>	<b>22,373,667</b>
Net change in unrealised appreciation/(depreciation) on:				
Investments	1,151,520	(1,733,357)	79,094	43,368,697
Financial futures contracts	564,916	(253,124)	(25,209)	(9,606,840)
Forward currency exchange contracts	93,889	(871,136)	5,677	14,144,548
Swaps contracts	–	(943,563)	–	(17,191,688)
Currency exchange	1,884	79,181	231	(311,614)
<b>Net change in unrealised appreciation/(depreciation) for the year/period</b>	<b>1,812,209</b>	<b>(3,721,999)</b>	<b>59,793</b>	<b>30,403,103</b>
<b>Increase in net assets as a result of operations</b>	<b>3,584,801</b>	<b>3,733,792</b>	<b>39,036</b>	<b>55,484,810</b>
Subscriptions	37,566,950	870,314	72	40
Redemptions	(57,946,322)	(49,216,789)	(1,123,113)	(52,243,588)
<b>Decrease in net assets as a result of movements in share capital</b>	<b>(20,379,372)</b>	<b>(48,346,475)</b>	<b>(1,123,041)</b>	<b>(52,243,548)</b>
Dividend distributions	(2,897)	(19,666)	(7,425)	–
<b>Net assets at the end of the year</b>	<b>47,307,994</b>	<b>–</b>	<b>–</b>	<b>507,655,652</b>

<sup>1</sup> The sub-fund has been liquidated on 23 October 2023. The funds covers the financial period 01 January 2023 until 23 October 2023.

<sup>2</sup> The sub-fund has been liquidated on 23 October 2023. The funds covers the financial period 01 January 2023 until 23 October 2023.

The accompanying notes form an integral part of these financial statements.

# Robeco (LU) Funds III

## Combined Statement of Operations and Changes in Net Assets (continued)

For the year/period ended 31 December 2023 (continued)

	<b>Combined EUR</b>
<b>Net assets at the beginning of the year</b>	<b>611,431,240</b>
<b>Income</b>	
Interest income from investments, net of withholding taxes	761,782
Interest on swap contracts	5,198,532
Securities lending income	9,452
Bank interest	1,065,172
<b>Total income</b>	<b>7,034,938</b>
<b>Expenses</b>	
Management fees	2,471,385
Service fees	734,612
Taxe d'abonnement	14,312
Bank and other interest expenses	38,045
Interest on swap contracts	541,115
<b>Total expenses</b>	<b>3,799,469</b>
<b>Net investment income/(loss)</b>	<b>3,235,469</b>
Net realised gain/(loss) on:	
Sale of investments	(6,178,710)
Financial futures contracts	11,195,748
Forward currency exchange contracts	12,072,670
Swaps contracts	17,515,436
Currency exchange	(4,109,720)
<b>Net realised gain/(loss) for the year/period</b>	<b>30,495,424</b>
Net change in unrealised appreciation/(depreciation) on:	
Investments	42,995,782
Financial futures contracts	(9,301,297)
Forward currency exchange contracts	13,438,226
Swaps contracts	(18,064,579)
Currency exchange	(236,249)
<b>Net change in unrealised appreciation/(depreciation) for the year/period</b>	<b>28,831,883</b>
<b>Increase in net assets as a result of operations</b>	<b>62,562,776</b>
Subscriptions	38,372,189
Redemptions	(156,843,475)
<b>Decrease in net assets as a result of movements in share capital</b>	<b>(118,471,286)</b>
Dividend distributions	(28,515)
Foreign currency translation difference	(530,569)
<b>Net assets at the end of the year</b>	<b>554,963,646</b>

The accompanying notes form an integral part of these financial statements.

# Robeco (LU) Funds III

Statistical Information (in share class currency)

	Shares outstanding as at 31 December 2023	NAV per share as at 31 December 2023	NAV per share as at 31 December 2022	NAV per share as at 31 December 2021
<b>Robeco QI Long/Short Dynamic Duration</b>				
D EUR	42,861	105.47	98.68	99.72
DH CHF <sup>1</sup>	22,286	90.08	85.97	87.26
DH USD <sup>2</sup>	17,742	120.88	111.13	110.15
E EUR	836	88.07	82.56	83.73
F EUR	21,024	101.88	94.99	95.63
G EUR	13,199	94.41	88.20	89.43
I EUR	294,747	115.12	107.26	107.92
IH CHF <sup>1</sup>	10,615	96.99	92.18	93.10
IH USD <sup>2</sup>	1,500	114.75	105.04	103.68
MH USD <sup>2</sup>	330	102.33	95.01	95.17
<b>Total net assets in EUR</b>		<b>47,307,994</b>	<b>64,105,462</b>	<b>55,259,862</b>
<b>Robeco High Yield Bonds Feeder Fund – zero duration</b>				
Bx USD	–	–	94.27	98.66
D2 USD	–	–	110.58	111.40
D3 USD	–	–	96.40	101.51
DH EUR <sup>3</sup>	–	–	105.05	107.96
FH EUR <sup>3</sup>	–	–	107.42	109.80
I USD	–	–	116.56	116.20
IH EUR <sup>3</sup>	–	–	107.88	110.22
<b>Total net assets in USD</b>		–	<b>44,632,349</b>	<b>47,008,942</b>
<b>Robeco Financial Institutions Bonds Feeder Fund – zero duration</b>				
D EUR	–	–	103.52	108.54
D3H USD <sup>2</sup>	–	–	98.78	104.30
I EUR	–	–	101.73	106.25
IH USD <sup>2</sup>	–	–	114.28	116.45
<b>Total net assets in EUR</b>		–	<b>1,091,430</b>	<b>2,091,834</b>
<b>Robeco Global Credits Feeder Fund – zero duration</b>				
IH GBP <sup>4</sup>	3,828,854	114.89	105.85	108.23
IH USD <sup>2</sup>	–	–	110.28	111.61
<b>Total net assets in EUR</b>		<b>507,655,652</b>	<b>504,414,390</b>	<b>545,022,623</b>

<sup>1</sup> This class of shares is denominated in Swiss Franc (CHF). The reference currency of the Sub-fund is the Euro (EUR).

<sup>2</sup> This class of shares is denominated in US Dollar (USD). The reference currency of the Sub-fund is the Euro (EUR).

<sup>3</sup> This class of shares is denominated in Euro (EUR). The reference currency of the Sub-fund is the US Dollar (USD).

<sup>4</sup> This class of shares is denominated in British Pound (GBP). The reference currency of the Sub-fund is the Euro (EUR).

# Notes to the financial statements as at 31 December 2023

## 1. General

The Company was incorporated on 2 June 1992 for an undetermined period of time as an open-ended investment company based in Luxembourg, issuing and redeeming its shares on a daily basis at prices at net asset value per share. The Company reserves the right to refuse any subscription request at any time. Its Articles of Incorporation were published in the 'Mémorial, Recueil des Sociétés et Associations' of the Grand Duchy of Luxembourg (the 'Mémorial') on 11 July 1992. The Articles of Incorporation were last amended and became effective as per 1 January 2022. The Company is a 'Société d'Investissement à Capital Variable' (Investment Company with variable capital) pursuant to the law of 10 August 1915, as amended, on commercial companies and to part I of the modified law of 17 December 2010 on undertakings for collective investment of the Grand Duchy of Luxembourg.

The Company takes the form of an umbrella fund, i.e. it can be made up of several sub-funds each representing an investment portfolio and other assets and liabilities corresponding to a different investment policy. Each sub-fund is therefore represented by a different type of share with one or more classes of shares. The Board of Directors has the authority to issue different classes of shares within each of the sub-funds. Details of the characteristics of such classes of shares offered by the Company will be determined by the Board of Directors. The Directors of the Company may at any time decide upon the issue of Class A, AH, D, D2, D2H, DH, F, FH, I, IH, M, M2, M2H, MH, S, SH, Z and ZH shares (accumulating) and Class A1, A1H, B, BH, Bx, BxH, C, CH, Cx, CxH, D3, D3H, E, EH, G, GH, IB, IBH, IBx, IBxH, IE, IEH, IEx, IExH, M3, M3H, MB, ZB, ZBH, ZE and ZEH shares (distributing) to investors in one or several sub-funds.

The reference currency of the classes of shares may be the Euro (EUR), the US Dollar (USD), the British Pound (GBP), the Swiss Franc (CHF), the Japanese Yen (JPY), the Canadian Dollar (CAD), the Mexican Peso (MXN), the Hong Kong Dollar (HKD), the Singapore Dollar (SGD), the Swedish Crown (SEK), the Norwegian Crown (NOK), the Danish Crown (DKK), the Chinese Yuan (CNH), the South-African Rand (ZAR) or the Australian Dollar (AUD).

### Legal entity

The Company as a whole constitutes a single legal entity, however the assets of any one sub-fund will only be available to satisfy the rights of investors in relation to that sub-fund and the rights of creditors whose claims have arisen in connection with the creation, operation or liquidation of the sub-fund. For the purpose of the relations as between shareholders, each sub-fund is deemed to be a separate entity.

### Dividend policy

The general policy regarding the appropriation of net income and capital gains is as follows:

Class D, D2, F, M, M2 and I shares

Income is reinvested and added to the relevant sub-funds and contributes to a further increase in value of the total net assets.

Class B, Bx, D3, E and G shares

After the end of the reporting period, the Company can recommend what distribution shall be made from the net investment income and net capital gains attributable to the Class B, Bx, D3, E and G shares.

The annual general meeting of shareholders will determine the dividend payment. The Board of Directors of the Company may decide to distribute interim dividends, in accordance with Luxembourg law.

General remarks

As provided by the 2010 law, the Company may decide to distribute dividends with no other limit than the obligation that any such dividend distribution does not reduce the net asset value of the Company below the legal minimum amount. Similarly, the Company may distribute interim dividends and may decide to pay dividends in shares. If dividends are distributed, payments of cash dividends to registered shareholders will be made in the currency of the relevant share class to such shareholders at the addresses they have given to the Registrar Agent. Dividend announcements (including names of paying agents) and all other financial notices concerning Robeco (LU) Funds III shall be published on [www.robeco.com/luxembourg](http://www.robeco.com/luxembourg) and published in those newspapers as the Board of Directors shall determine from time to time. Dividends not collected within five years will lapse and accrue for the benefit of the Company in accordance with Luxembourg law.

### Open-ended fund

Robeco (LU) Funds III is an open-ended investment Company, meaning that, barring exceptional circumstances, Robeco (LU) Funds III issues and purchases its shares on a daily basis at net asset value prices per share. The Company reserves the right to refuse any subscription request at any time.

# Notes to the financial statements as at 31 December 2023 (continued)

## 1. General (continued)

### Swing pricing

Shares are issued and redeemed on the basis of the net asset value per share. However, the actual costs of purchasing or selling assets and investments for a sub-fund may deviate from the latest available prices, as appropriate, when calculating the net asset value per share. This deviation can be caused by duties and charges, and spread from buying and selling prices of the underlying investments (“spreads”). These costs have an adverse effect on the value of a sub-fund and its underlying share classes, and are known as dilution. To mitigate the effects of dilution, the Company may, at its discretion, make a dilution adjustment to the net asset value per share on any valuation day. The Company will retain the discretion in relation to the circumstances under which to make such a dilution adjustment. At the end of the reporting period, no swing adjustments were made.

The dilution adjustment will involve adding to (when the sub-fund is in a net subscription position) and deducting from (when the sub-fund is in a net redemption position) the net asset value per share, such figure as the Company considers representing an appropriate figure to meet the cash flow costs. The resultant amount will be the price rounded to such number of decimal places as the Company deems appropriate. The dilution adjustments may vary depending on the order type (net subscription or net redemption), on the underlying asset classes for any sub-fund or on the market conditions. The dilution adjustments as well as the dealing levels from which they become applicable may be amended from time to time depending on market conditions or any other situation where the Company is of the opinion that the interests of the shareholders require such amendment(s).

For any given valuation day, the swing factor adjustment is limited to a maximum of 2% of what the net asset value would otherwise be. In exceptional circumstances, the Board of Directors may, in the best interest of its shareholders, decide to temporarily increase the swing factor above the maximum-stated level. Such exceptional circumstances can be triggered by (but not limited to) high market volatility, disruption of markets or slowdown of the economy caused by terrorist attack or war (or other hostilities), serious pandemic or a natural disaster (such as a hurricane or a super typhoon).

Additional details on the anti-dilution/swing pricing adjustments and actual swing factors can be found on [www.robeco.com/riam](http://www.robeco.com/riam).

To avoid doubt, shareholders holding shares in the same share class will be treated in an identical manner.

Where a dilution adjustment is made, it will increase the Price where the sub-fund is in a net subscription position and decrease the Price where the sub-fund is in a net redemption position. The Price of each Class in the sub-fund will be calculated separately but any dilution adjustment will in percentage terms affect the Price of each Class in an identical manner. The dilution adjustment is made on the capital activity at the level of the sub-fund and does not address the specific circumstances of each individual investor transaction.

### Pooling and co-management

For the purpose of efficient management and to reduce administrative costs and if the investment policies of the sub-funds allow such, the Board of Directors may decide to co-manage some or all of the assets of certain sub-funds with assets of other Luxembourg UCIs of the Robeco Group (co-managed units). In this case, the assets from different co-managed units will be jointly managed using the pooling technique. Assets that are co-managed will be referred to using the term ‘pool’. Such pools will only be used for the purposes of internal management. They will not constitute distinct legal entities and will not be directly accessible to investors. Each co-managed unit will have its own assets allocated to it. During the reporting period no pooling or co-management took place.

### Affiliated parties

The Directors of the Company have appointed the affiliated entity Robeco Institutional Asset Management B.V. (“RIAM” or the “Management Company”), responsible on a day-to-day basis, under supervision of the Directors of the Company, to provide administration, marketing, portfolio management and investment advisory services in respect of all sub-funds. The Management Company may, from time to time, carry out its portfolio management activities through one or more of its European branches, which will in such case not be fully in charge of the day-to-day management of the relevant sub-fund.

The Management Company has delegated the administration, registrar and transfer functions to J.P. Morgan SE, Luxembourg Branch. The various sub-funds and share-classes will incur an annual management fee which reflects all expenses related to Company management, which is payable to the Management Company. The Directors of the Company are also Directors of Robeco Capital Growth Funds, Robeco Global Total Return Bond Fund, Robeco QI Global Dynamic Duration, Robeco All Strategies Funds, Robeco Institutional Solutions Funds and Managers of RSSLF GP S.à r.l, which is in its turn general partner of Robeco Sustainable Senior Loan Feeder Fund SCA SICAV-RAIF and Robeco Sustainable Senior Loan Fund SCSp.

Robeco (LU) Funds III is affiliated with the entities belonging to ORIX Corporation Europe N.V. The affiliation with ORIX Corporation Europe N.V. is the result of the possibility of having decisive control or a substantial influence on the Company’s business policy. ORIX Corporation Europe N.V. is part of ORIX Corporation. The management structure of ORIX Corporation Europe N.V. is such that ORIX Corporation does not have any meaningful say in or influence on the Company’s business policy. Besides services of other market parties, Robeco (LU) Funds III may also utilize the services of one or more of these affiliated entities including transactions relating to securities, treasury, derivatives, securities lending, and subscriptions and redemptions of its own shares, as well as management activities. Transactions are executed at market rates.

# Notes to the financial statements as at 31 December 2023 (continued)

## 1. General (continued)

### Financial instruments

#### Risks

Transactions in financial instruments may lead the sub-funds to be subject to the risks described below or to the sub-funds transferring these risks to another party.

#### General investment risk

The value of the investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the sub-funds is affected by developments in the financial markets and may both rise and fall. Shareholders run the risk that their investments may end up being worth less than the amount invested or even worth nothing. Bonds or other debt securities involve credit risk to the issuer which may be evidenced by the issuer's credit rating. Securities which are subordinated and/or have a lower credit rating are generally considered to have a higher credit risk and a greater possibility of default than more highly rated securities. In the event that any issuer of bonds or other debt securities experiences financial or economic difficulties, this may affect the value of the relevant securities and any amounts paid on such securities. This may in turn affect the net asset value per share. General investment risk can be broken down into market risk, concentration risk, currency risk and counterparty risk.

#### Market risk

The net asset value of the sub-funds is sensitive to market movements. In addition, investors should be aware it is possible the investment value may vary as a result of changes in political, economic or market circumstances. Therefore, no assurance can be given that the sub-fund's investment objective will be achieved. It cannot be guaranteed either that the value of a share in a sub-fund will not fall below its value at the time of acquisition.

#### Concentration risk

Based on its investment policies, each sub-fund may invest in financial instruments from issuing institutions that (mainly) operate within the same sector, region, or market. If this is the case, the concentration of the sub-fund investment portfolio may cause events that have an effect on these issuing institutions to have a greater effect on the sub-fund's assets than would occur with a less concentrated investment portfolio.

#### Currency risk

All or part of the sub-fund investment portfolio may be invested in currencies or financial instruments denominated in currencies other than its reference currency. As a result, fluctuations in exchange rates may have both a positive and negative effect on the sub-fund investment result. The risk relative to their index is minimized by using quantitative techniques. The bond sub-funds minimize the risks by making a balanced selection with regard to distribution across regions, sectors, individual bonds and currencies and by investing in bonds with a minimum rating depending on the sub-fund's investment policy. Quantitative techniques minimize the risk relative to their index.

#### Counterparty risk

A counterparty of a sub-fund may fail to fulfil its obligations toward that sub-fund. In case of hedging transactions in classes of shares, the relevant sub-fund carries the counterparty risk. This risk is limited as much as possible by taking every possible care in the selection of counterparties. Wherever it is customary in the market, the sub-funds will demand and obtain collateral. The sub-funds minimize this risk by trading exclusively with reputable counterparties with a minimum rating of A in the Standard & Poor's or other recognized credit rating agencies lists. The positions that each sub-fund takes in terms of interest-rate swaps and credit default (index) swaps (where possible) are centrally cleared at a clearing house. This means that the sub-fund has a single central counter party (CCP) for derivative instruments with which the required collateral (margin) is exchanged on a daily basis. To hedge the initial required collateral (initial margin) and for the variable required collateral (variation margin), the sub-funds use cash.

#### Risk of lending financial instruments

In the case of financial instrument lending transactions, the Company and its respective sub-funds run the risk that the borrower cannot comply with its obligation to return the financial instruments on the agreed date or furnish the requested collateral. The lending policy of the Company is designed to control these risks as much as possible.

The credit worthiness of counterparties in securities-lending transactions is assessed on the basis of how independent rating agencies rank their short-term credit worthiness and on the basis of their net assets. Guarantees given by parent companies are also taken into account. The fund only accepts collateral from OECD countries in the form of:

- Government bonds with a minimum credit rating of BBB;
- The bonds of supranational bodies with a minimum credit rating of BBB-;
- Stocks listed on the main indexes of stock markets in OECD countries and to a limited extent in the form of
- Index trackers;
- Stocks issued by financial institutions;
- Cash.

# Notes to the financial statements as at 31 December 2023 (continued)

## 1. General (continued)

### Financial instruments (continued)

#### Risks (continued)

##### Risk of lending financial instruments (continued)

As of balance-sheet date, the Fund had received collateral ensuing from securities-lending transactions. More information can be found on page 23.

##### Liquidity risk

The actual buying and selling prices of financial instruments in which the sub-funds invest partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the sub-funds cannot be quickly liquidated at a reasonable price due to a lack of liquidity in the market in terms of supply and demand. The sub-funds minimize this risk by mainly investing in financial instruments that are tradable on a daily basis.

##### Euro currency risk

All or part of the assets of the sub-funds may be invested in securities denominated in Euro. In the event of any adjustments, including a full break-up, an exit of individual countries or other circumstances that may result in the emergence or reintroduction of national currencies, each sub-fund runs the risks that the value of its investments is reduced and/or the liquidity of its investments is (temporarily) reduced, regardless of the measures the Company may seek to reduce this risk.

##### Sustainability risk

RIAM systematically incorporates sustainability factors, to the extent these present a material risk to a sub-fund, into its investment and portfolio construction processes, alongside traditional financial risk factors. This is done through ESG scoring methodologies using proprietary sustainability research and external resources which are built into the portfolio construction process.

Processes and controls for sustainability risk integration are embedded in a designated Sustainability Risk Policy, which is maintained by the risk management function and governed by the Risk Management Committee (RMC). The Sustainability Risk Policy is built on three pillars. The environmental or social characteristics promoted by a sub-fund or sustainable investment objective of a sub-fund is used to identify and assess the relevant material sustainability risk topics. Based on these characteristics or investment objectives sustainability risk is monitored. Sensitivity and scenario analyses are conducted on a frequent basis to assess any material impact climate changes risk may have on the portfolio of a sub-fund.

##### Operational risk

The operational risk is the non inherent risk remaining after determining the risks as detailed afore (general investment risk, counterparty risk, liquidity risk, Euro currency risk or risk of lending financial instruments). It mainly includes risks resulting from breakdowns in internal procedures, people and systems.

##### Insight into actual risks

The report of the Board of Directors, the Combined Statement of Net Assets, the notes to the financial statements and the schedule of Investments, which include currency classification of the investments, give an insight into the actual risks at the end of the reporting period.

##### Risk management

Managing risk is a part of the investment process as a whole and with the help of advanced systems, the risks outlined above are limited, measured and monitored on the basis of fixed risk measures.

##### Policy regarding the use of derivatives

Investing implies that positions are taken. As it is possible to use various instruments, including derivative instruments, to construct an identical position, the selection of derivatives is subordinate to the positioning of an investment portfolio. In the published information, attention is given primarily to the overall position, and secondarily to the nature and volume of the financial instruments employed.

##### Derivative instruments

The unrealized results of derivative instruments are reported in the Combined Statement of Net Assets. Commitments to derivatives are not included however, these are explained in the schedule of investments. The unrealized results presented in the Combined Statement of Net Assets are disclosed by contract in the schedule of investments.

The derivative instruments listed in the Notes are transacted through third party brokers. Those brokers hold/paid collateral as described on page 22. The Company is exposed to counterparty risk in respect of all amounts including collateral due to it from such brokers.

# Notes to the financial statements as at 31 December 2023 (continued)

## 2. Summary of significant accounting principles

### General

Unless stated otherwise, the items shown in the financial statements are included at their nominal value and expressed in the reference currency of each sub-fund. This semi-annual report covers the reporting period from 1 January 2023 until 31 December 2023.

### Preparation and presentation of financial statements

The financial statements are prepared on the basis of the net asset value of the last business day of the year of 29 December 2023 (for all sub-funds) and presented in accordance with Luxembourg generally accepted accounting principles for investment funds. The going concern basis was applied for the preparation of the financial statements of the Fund and its sub-funds, except for the sub-funds closed during the year.

### Combined figures

The combined figures are expressed in Euro and are presented for information purpose only. The combined figures are the sum of the statements of each sub-funds. The combined statement of net assets is presented in EUR at the exchange rates prevailing at the end of the reporting period, while the combined statement of operations and changes in net assets is presented in EUR at the average exchange rates during the year. Cross sub-funds investments (where one sub-fund invested within sub-fund of the Company) are not eliminated from the combined statement.

### Foreign currencies

Transactions in currencies other than the reference currency of the relevant sub-fund are converted into the reference currency at the exchange rates prevailing at the time of the transaction. The market value of the investments, assets and liabilities expressed in currencies other than the reference currency of the sub-fund are converted into the sub-fund's reference currency at the exchange rates prevailing at the end of the reporting period. Any positive or negative exchange differences arising are accounted for in the Combined Statement of Operations and Changes in Net Assets. The table on page 26 shows the exchange rates as at 29 December 2023.

### Valuation of investments

Transferable securities, money market instruments and financial derivative instruments listed on an official stock exchange listing

These instruments are valued at their last available market price. In the event that there should be several such markets, the instruments will be valued on the basis of the last available price of the main market for the relevant security or asset. Should the last available market price for a given transferable security, money market instrument or financial derivative instrument not truly reflect its fair market value, then that transferable security, money market instrument or financial derivative instrument is valued on the basis of the probable sales price which the Board of Directors deems prudent to assume. Fixed income securities not traded on such markets are generally valued at the last available price or yield equivalents obtained from one or more dealers or pricing services approved by the Board of Directors or any other price deemed appropriate by the Board of Directors.

Transferable securities and/or money market instruments dealt in on another regulated market

These instruments are valued on the basis of their last available market price. Should the last available market price for a given transferable security and/or money market instrument not truly reflect its fair market value, then that transferable security and/or money market instrument is valued by the Board of Directors on the basis of the probable sales price which the Board of Directors deems prudent to assume.

Transferable securities and/or money market instruments not listed or dealt in on any stock exchange or on any regulated market

In the event that any assets are not listed or dealt in on any stock exchange or on any regulated market, or if the above valuation methods are inappropriate or misleading, with respect to assets listed or dealt in on any stock exchange, or on any regulated market as aforesaid, where the above valuation methods are inappropriate or misleading, the Board of Directors may adopt any other appropriate valuation principles for the assets of the Company.

Sub-funds primarily invested in markets which are closed for business at the time of valuation of the sub-fund are normally valued using the prices at the previous close of business.

Market volatility may result in the latest available prices not accurately reflecting the fair value of the sub-funds' investments. This situation could be exploited by investors who are aware of the direction of market movements, and who might deal to exploit the difference between the next published net asset value and the fair value of the sub-funds' investments. By these investors paying less than the fair value for shares on issue, or receiving more than the fair value for shares on redemption, other shareholders may suffer a dilution in the value of their investment. To prevent this, the Company may, during periods of market volatility, adjust the net asset value per Share prior to publication to reflect more accurately the fair value of the sub-funds' investments. Adjustment will be made provided that such change exceeds the threshold as determined by the Board of Directors for the relevant sub-fund. If an adjustment is made, it will be applied consistently to all classes of shares in the same sub-fund. At the end of the reporting period, no such adjustments were made.

# Notes to the financial statements as at 31 December 2023 (continued)

## 2. Summary of significant accounting principles (continued)

### Valuation of investments (continued)

#### Investment transactions and investment income

Securities are initially recorded at cost, and where applicable on the basis of exchange rates prevailing on the date they are purchased. Results on sales of securities are determined on the basis of the average cost method (for future first-in-first-out method). Investment transactions are accounted for on the trade date. Dividends are accounted for on the ex-dividend date. Interest income is recorded on an accrual basis. Discounts/premiums on zero-coupon bonds are accreted as adjustments to interest income. Interest and capital gains on securities may be subject to withholding or capital gains taxes in certain countries.

### 3. Open forward exchange transactions

Open forward exchange transactions are valued with market practice valuation models using forwards rates based on exchange and interest rates applicable at 31 December 2023. The unrealized results of these transactions have been recorded gross in the statement of net assets under the heading 'Unrealized gain/loss on forward currency exchange contracts' and changes in unrealized results are recorded in the Combined Statement of Operations and Changes in Net Assets under the heading 'Net change in unrealized appreciation/(depreciation) on forward currency exchange contracts'.

The contracts outstanding as at 31 December 2023 are disclosed in the Schedule of Investments. Information on the collateral received or paid on these positions is stated in the table on page 22. The paid collateral is restricted cash and is included in the statement of net assets under the assets 'Cash at bank and at brokers'. The received collateral is included in the Combined Statement of Net Assets under the liabilities 'Due to brokers'.

### 4. Interest Rate Swaps

Interest rate swaps are valued with market practice valuation models using exchange and interest rates applicable at 31 December 2023. The unrealized gains/losses on interest rate swaps are recorded gross in the Combined Statement of Net Assets under the heading 'Swap contracts at fair value' and changes in unrealized results are recorded in the Combined Statement of Operations and Changes in Net Assets under the heading 'Net change in unrealized appreciation/(depreciation) on Swaps contracts'. The contracts outstanding as at 31 December 2023 are disclosed in the schedule of investments. Information on the collateral on these positions is stated in the table on page 22. The paid collateral is restricted cash and is included in the Combined Statement of Net Assets under the assets 'Cash at bank and at brokers'. The received collateral is included in the statement of net assets under the liabilities 'Due to brokers'.

### 5. Credit Default Swaps

Credit default swaps are valued at fair value under procedures approved by the Board of Directors. The valuation is based on market practice valuations models using observable market inputs. The unrealized gains/losses on credit default swaps are recorded gross in the Combined Statement of Net Assets under the heading 'Swap contracts at fair value' and changes in unrealized results are recorded in the Combined Statement of Operations and Changes in Net Assets under the heading 'Net change in unrealized appreciation/(depreciation) on Swaps contracts'. The contracts outstanding as at 31 December 2023 are disclosed in the Schedule of Investments. Information on the collateral on these positions is stated in the table on page 22. The paid collateral is restricted cash and is included in the Combined Statement of Net Assets under the assets 'Cash at bank and at brokers'. The received collateral is included in the Combined Statement of Net Assets under the liabilities 'Due to brokers'.

### 6. Financial futures contracts

Regulated futures contracts are valued at their exchange quoted settlement price. Initial margin deposits are made upon entering into futures contracts. Variation margin payments are made or received, depending on the daily fluctuation in market value of the contract, and are recorded by the fund as unrealized appreciation or depreciation. When the contract is closed, the Company records a realized gain or loss equal to difference between the value of the contract at the time it was opened and the value at the time it was closed. All margin deposits are included in the Combined Statement of Net Assets under the heading 'Cash at bank and at brokers'.

Changes in unrealized results and realized results during the year are both recorded in the Combined Statement of Operations and Changes in Net Assets. The contracts outstanding as at 31 December 2023 are disclosed in the Schedule of Investments.

# Notes to the financial statements as at 31 December 2023 (continued)

## 7. Collateral

Several sub-funds received or paid collateral to cover the unrealized results on derivative instruments. Collaterals are calculated and settled on a daily basis per counterparty. The collateral is primarily cash held at the broker in the name of the sub-fund. The paid collateral is restricted cash and is included in the Combined Statement of Net Assets under the Assets 'Cash at bank and at brokers'. The received collateral is included in the Combined Statement of Net Assets under the liabilities 'Due to brokers'. No cash collateral has been reinvested. The amounts and counterparty company are shown in the table below.

<b>Sub-fund name</b>	<b>Currency</b>	<b>Counterparty</b>	<b>Type of collateral</b>	<b>Collateral received</b>	<b>Collateral pledged</b>
Robeco Global Credits Feeder Fund – zero duration	EUR	Barclays <sup>1</sup>	Cash	7,622,256	9,554,916
Robeco Global Credits Feeder Fund – zero duration	EUR	Citi <sup>1</sup>	Cash	85	145,085

<sup>1</sup>The unrealized results on Interest Rate Swaps are settled daily via collateral payments/receipts between the fund and the Central Clearing Party (London Clearing House), which is placed between the fund and the counterparty.

## 8. Schedule of Investments

The Schedule of Investments of the sub-funds are included at the end of this report.

## 9. Securities lending

J.P. Morgan SE, Luxembourg Branch is lending agent for all Robeco (LU) Funds III securities lending transactions. J.P. Morgan SE, Luxembourg Branch is authorized to retain a fee in an amount equal to (A) 25% of the income from securities-lending transactions for any loans which generate a return of 0.5% or less and (B) 10% of the income from securities-lending transactions for any loans which generate a return greater than 0.5% of the sum of (i) earnings derived from authorized investments (as adjusted for any rebate paid or received by J.P. Morgan SE, Luxembourg Branch (ii) any fee, paid or payable by the borrower with respect to loans (including any loan fee but excluding any compensation payable by borrower under the Master Securities Lending Agreement ("MSLA") in connection with a loan (net, however, of any other amount payable by a lender in connection with such loan).

Gains and losses on cash collateral investments shall not be taken into account in calculating earnings for the purpose of J.P. Morgan's fees. The following table shows the position of the collateralized securities lending transactions with first-class financial institutions as described in the prospectus at the end of the reporting period, as well as the income from securities lending over the reporting period for the Company and the income for J.P. Morgan SE. Income on securities-lending transactions is recorded under the heading 'Securities lending income' in the statement of operations and changes in net assets. Collateral received in the frame of the lending activity, primarily securities, is held in the name of the fund on an escrow account with external agents. In exceptional cases, the collateral is received in cash, which is not subject to reinvestment. More information on collateral received can be found on page 40 and further.

# Notes to the financial statements as at 31 December 2023 (continued)

## 9. Securities lending (continued)

Sub-Fund	Sub-Fund currency	Counterparty	Market value of securities on loan in Sub-Fund currency	Cash collateral in Sub-Fund currency	Non cash collateral in Sub-Fund currency	Total collateral in Sub-Fund currency
Robeco QI Long/Short Dynamic Duration	EUR	J.P. Morgan	1,778,504	–	1,885,350	1,885,350
Robeco QI Long/Short Dynamic Duration	EUR	Nomura	993,250	–	1,023,481	1,023,481
Robeco QI Long/Short Dynamic Duration	EUR	Societe Generale	791,248	–	807,649	807,649
Robeco QI Long/Short Dynamic Duration	EUR	Deutsche Bank	739,235	–	756,315	756,315
Robeco QI Long/Short Dynamic Duration	EUR	Barclays	495,855	–	509,580	509,580
Robeco QI Long/Short Dynamic Duration	EUR	Goldman Sachs	196,900	–	201,706	201,706

Sub-Fund	Sub-Fund currency	Lending income (gross) in Sub-Fund currency	Lending agent fee in Sub-Fund currency	Lending income (net) in Sub-Fund currency
Robeco QI Long/Short Dynamic Duration	EUR	11,916	2,464	9,452

## 10. Taxes

The classes of shares of the sub-funds are liable in Luxembourg to an annual duty ('taxe d'abonnement'/subscription tax') at the rate of 0.05% of their net assets calculated and payable at the end of each quarter. This rate is 0.01% per annum for institutional classes of shares such as class IH shares. To the extent that the assets of the sub-funds are invested in investment funds which are established in Luxembourg, no such tax is payable, provided that the relevant investment funds have been subject to this tax. The sub-funds will receive income from their investments after deduction of applicable withholding taxes in the country of origin. There are no taxes regarding Luxembourg income, withholding, capital gains, estate or inheritance taxes that are payable by the sub-funds.

## 11. Management Company

The Board of Directors of the Company have appointed Robeco Institutional Asset Management B.V. ("RIAM") as the Management Company to be responsible on a day-to-day basis for providing administration, marketing and investment management services in respect of the sub-funds.

RIAM is incorporated under the laws of the Netherlands on 21 May 1974 and at that time called Rotrusco B.V. On 25 February 1997, the name was changed into RIAM. RIAM holds an AIFMD license as referred to in Section 2:65 Wft. In addition, RIAM is licensed as a manager of UCITS (2:69b Wft, the Dutch Financial Supervision Act). RIAM is moreover authorized to manage individual assets and give advice with respect to financial instruments. RIAM is subject to supervision by the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, "AFM").

The Management Company has delegated the administration functions and registrar agent functions to J.P. Morgan SE, Luxembourg Branch.

## 12. Management and service fees

The different sub-funds or class of shares incur an annual management fee payable to the Management Company, which reflects expenses<sup>1</sup> related to the management of the sub-funds. Furthermore the different sub-funds or classes of shares incur an annual service fee payable to the Management Company reflecting expenses<sup>1</sup> such as the fees of the administration agent, the registrar agent, auditors and legal advisers, the costs of custody (including custody fees and bank charges), the costs of depositary services, the costs of preparing, printing and distributing all prospectuses, memorandums, reports and other necessary documents concerning the Company, any fees and expenses involved in the registration of the Company with any governmental agency and stock exchange, the costs of publishing prices and operational expenses, and the cost of holding shareholders' meetings.

<sup>1</sup> Additional expenses may be charged to the Fund on an exceptional basis as disclosed in the prospectus.

# Notes to the financial statements as at 31 December 2023 (continued)

## 12. Management and service fees (continued)

The annual charges, both management fee and service fee, are expressed as a percentage of the net asset value. The charges, paid quarterly, are based on the net asset value of the relevant period and are reflected in the share price. The following table shows the maximum percentages for the different outstanding classes of shares on an annual basis.

	<b>Management fee (%)</b>	<b>Service fee (%)</b>
<b>Robeco QI Long/Short Dynamic Duration</b>		
D EUR	0.70	0.16
DH CHF	0.70	0.16
DH USD	0.70	0.16
E EUR	0.70	0.16
F EUR	0.35	0.16
G EUR	0.35	0.16
I EUR	0.35	0.12
IH CHF	0.35	0.12
IH USD	0.35	0.12
MH USD	1.75	0.16
<b>Robeco Global Credits Feeder Fund – zero duration</b>		
IH GBP	0.40	0.12

If the net asset value per share class exceeds EUR 1 billion the service fee will be reduced by 0.02% for the portion above 1 billion. If the net asset per share class value exceeds EUR 5 billion, the service fee will be reduced by a further 0.02% for the portion above EUR 5 billion.

The service fee paid to the Management Company include Audit fees and Audit related fees. Audit fees, amounting to EUR 24,557 relate to the statutory audit of the Company's annual accounts performed by the Statutory Auditor. Audit related fees, amounting to EUR 1,524 relate to the regulatory reporting of the Company performed by the Statutory Auditor. No other services were charged by the Statutory Auditor to the Company.

## 13. Depositary fees

The Depositary bank is remunerated in accordance with the agreement between J.P. Morgan SE, Luxembourg Branch (acting as the depositary) and the Company. The depositary fees are paid by RIAM out of the service fee.

## 14. Other operating expenses

The banking fees relating to the assets of the sub-funds or expenses incurred thereof, such as proxy voting are paid by RIAM out of the service fee. The costs of establishing the Company have been paid entirely. If additional sub-funds are created in the future, these sub-funds will bear, in principle, their own formation expenses.

## 15. Transaction costs

The sub-funds and its classes of shares pay directly commissions, brokerage fees and taxes resulting from financial transactions. Transaction costs are included in the purchase/sale price of the securities.

<b>Sub-Fund</b>	<b>Sub-fund Currency</b>	<b>Total transaction costs</b>
Robeco QI Long/Short Dynamic Duration	EUR	24
Robeco High Yield Bonds Feeder Fund – zero duration	USD	5,453
Robeco Financial Institutions Bonds Feeder Fund – zero duration	EUR	903
Robeco Global Credits Feeder Fund – zero duration	EUR	28,929

# Notes to the financial statements as at 31 December 2023 (continued)

## 16. Total Expense Ratio (TER)

The TER expresses the operational costs (e.g. management fee, service fee, performance fee, taxe d'abonnement and bank charges) charged to the sub-funds as a percentage of the average assets entrusted, calculated on a daily basis during the reporting period. The TER as shown below do not include transaction costs. The other costs concern mainly bank charges and the taxe d'abonnement. TERs are annualized for periods of less than one year.

<b>Sub-Fund</b>	<b>Management fee</b>	<b>Service fee</b>	<b>Other costs</b>	<b>Costs master funds</b>	<b>Total</b>
<b>Robeco QI Long/Short Dynamic Duration</b>					
D EUR	0.70	0.16	0.05	–	0.91
DH CHF	0.70	0.16	0.04	–	0.90
DH USD	0.70	0.16	0.05	–	0.91
E EUR	0.70	0.16	0.05	–	0.91
F EUR	0.35	0.16	0.05	–	0.56
G EUR	0.35	0.16	0.05	–	0.56
I EUR	0.35	0.12	0.01	–	0.48
IH CHF	0.35	0.12	0.01	–	0.48
IH USD	0.35	0.12	0.01	–	0.48
MH USD	1.75	0.16	0.04	–	1.95
<b>Robeco High Yield Bonds Feeder Fund – zero duration</b>					
Bx USD	0.92	0.16	–	–	1.08
D2 USD	1.45	0.16	–	0.01	1.62
D3 USD	1.30	0.16	–	0.01	1.47
DH EUR	0.85	0.16	–	0.01	1.02
FH EUR	0.46	0.16	–	–	0.62
I USD	0.43	0.12	–	0.01	0.56
IH EUR	0.50	0.12	–	–	0.62
<b>Robeco Financial Institutions Bonds Feeder Fund – zero duration</b>					
D EUR	0.63	0.16	–	–	0.79
D3H USD	1.42	0.16	–	–	1.58
I EUR	0.32	0.12	–	0.01	0.45
IH USD	0.34	0.12	–	0.01	0.47
<b>Robeco Global Credits Feeder Fund – zero duration</b>					
IH GBP	0.40	0.12	–	0.01	0.53
IH USD	0.40	0.12	–	0.01	0.53

## 17. Hard commissions and soft-dollar arrangements

There were no hard commissions or soft-dollar arrangements during the reporting period.

# Notes to the financial statements as at 31 December 2023 (continued)

## 18. Portfolio Turnover Ratio (PTR)

This is the turnover ratio of the investments, against the average assets entrusted and this is a measure of the incurred transaction costs resulting from the investment portfolio policies pursued and the ensuing investment transactions. In the employed calculation method, the amount of turnover is determined by the sum of purchases and sales of investments, excluding derivative and liquidity instruments, less the sum of issuance and repurchase of own shares, divided by the daily average of the net assets. The portfolio turnover ratio is determined by expressing the amount of turnover as a percentage of the average assets entrusted. The following table shows the portfolio turnover ratios of the sub-funds.

<b>Sub-Fund Name</b>	<b>Portfolio turnover ratio (%)</b>
Robeco QI Long/Short Dynamic Duration	63.62
Robeco High Yield Bonds Feeder Fund – zero duration	26.84
Robeco Financial Institutions Bonds Feeder Fund – zero duration	46.77
Robeco Global Credits Feeder Fund – zero duration	21.62

## 19. Changes in the investment portfolio

The statement of changes in the investment portfolio during the period from 1 January 2023 to 31 December 2023 inclusive may be obtained free of charge at the offices of the Company, the Depositary, or any Nominee.

## 20. Retrocessions and trailer fees

Trailer fees for the marketing of the sub-funds (Commission d'Encours) are paid to distributors and assets managers from the management fee. No retrocession has been granted during the reporting period.

## 21. Transactions with affiliated parties

No transactions were effected with affiliated parties during the reporting period other than management activities.

## 22. SFDR disclosure

The information on the environmental and/or social characteristics for the Sub-fund(s) disclosing under article 8(1) of SFDR as required by the article 50 (2) of SFDR RTS is disclosed in the unaudited annex 'Sustainability disclosures'.

## 23. Exchange Rates

<b>Currency</b>	<b>Rate</b>
EUR = 1	
GBP	0.8665
USD	1.1047

## 24. Safeguards for non-audit services

In addition to the audit, KPMG Audit S.à r.l. provided indirectly permissible tax services to the Fund. Where non-audit services are provided to the Fund, full consideration of the financial and other implications for the independence of the auditor arising from such engagement are considered prior to proceeding.

Luxembourg, 26 April 2024

The Board of Directors  
Mr. J.H. van den Akker  
Mr. I.R.M. Frielink  
Mr. C.M.A. Hertz  
Mr. P.F. van der Worp  
Mrs. J.F. Wilkinson

To the Shareholders of  
Robeco (LU) Funds III  
6, route de Trèves,  
L-2633 Senningerberg  
Grand Duchy of Luxembourg

# Report Of The Réviseur D'Entreprises Agréé

## Report on the audit of the financial statements

### Opinion

We have audited the financial statements of Robeco (LU) Funds III and each of its sub-funds (“the Fund”), which comprise the Combined Statement of Net Assets and the Schedule of Investments as at December 31, 2023 and the Combined Statement of Operations and Changes in Net Assets for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Robeco (LU) Funds III and each of its sub-funds as at December 31, 2023, and of the results of their operations and changes in their net assets for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

### Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (“Law of 23 July 2016”) and with International Standards on Auditing (“ISAs”) as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (“CSSF”). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of “réviseur d’entreprises agréé” for the audit of the financial statements » section of our report. We are also independent of the Fund in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (“IESBA Code”) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Valuation and existence of investments in securities at market value (Refer to note 2 of the financial statements)

*Why the matter was considered to be one of most significance to the audit*

The investments in securities at market value represent between 93.04% and 97.21% of total net assets (by value) as at 31 December 2023 depending on sub-fund, and are considered to be the key driver of the Fund’s performance. The market values of the majority of the Fund’s investments are based on available market prices from an official stock exchange or another regulated market. Accordingly, the valuation and existence of investments are considered to be a key audit matter due to the significance of the balances to the financial statements as a whole.

*How the matter was addressed in our audit*

We have performed the following procedures:

- for the investments in shares or units of underlying open-ended investment funds, we compared their valuation as at year-end to valuations recalculated using the audited or published net asset value per share or unit;
- for the investments where market prices were available, we compared their valuation using externally quoted prices;
- we agreed holdings in the schedules of investments as at year-end to the confirmations received directly from the depositary bank.

### Other information

The Board of Directors of the Fund is responsible for the other information. The other information comprises the information stated in the annual report but does not include the financial statements and our report of the “réviseur d’entreprises agréé” thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

# Report Of The Reviser D'Entreprises Agree (continued)

## Report on the audit of the financial statements (continued)

### Other Information (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors of the Fund for the financial statements

The Board of Directors of the Fund is responsible for the preparation and fair presentation of these financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, and for such internal control as the Board of Directors of the Fund determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors of the Fund is responsible for assessing the Fund's and each of its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors of the Fund either intends to liquidate the Fund or any of its sub-funds or to cease operations, or has no realistic alternative but to do so.

### Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors of the Fund.
- Conclude on the appropriateness of the Board of Directors of the Fund's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's or any of its sub-funds' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Fund or any of its sub-funds to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, action taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

# Report Of The Reviser D'Entreprises Agree (continued)

## Report on the audit of the financial statements (continued)

### Report on other legal and regulatory requirements

We have been appointed as “réviseur d’entreprises agréé” by the General Meeting of the shareholders on May 26, 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 10 years.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Fund in conducting the audit.

Luxembourg, April 26, 2024

KPMG Audit S.à r.l.  
Cabinet de révision agréé  
39, Avenue John F. Kennedy  
L-1855, Luxembourg



Maxime Eglizot

# Schedule of Investments

## Robeco QI Long/Short Dynamic Duration As at 31 December 2023

Investments	Currency	Quantity/ Nominal Value	Market Value EUR	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Bonds				
<i>Australia</i>				
Australia & New Zealand Banking Group Ltd., Reg. S 0.25% 17/03/2025	EUR	1,000,000	964,030	2.04
			<u>964,030</u>	<u>2.04</u>
<i>Canada</i>				
Bank of Montreal, Reg. S 0.25% 10/01/2024	EUR	1,000,000	999,300	2.11
Province of Alberta Canada, Reg. S 0.5% 16/04/2025	EUR	1,000,000	967,831	2.04
Province of Ontario Canada, Reg. S 0.625% 17/04/2025	EUR	1,000,000	968,291	2.05
Province of Quebec Canada, Reg. S 0.875% 15/01/2025	EUR	1,000,000	975,464	2.06
Royal Bank of Canada, Reg. S 0.25% 29/01/2024	EUR	1,300,000	1,296,658	2.74
Toronto-Dominion Bank (The), Reg. S 0.25% 26/03/2024	EUR	1,000,000	991,866	2.10
			<u>6,199,410</u>	<u>13.10</u>
<i>Finland</i>				
Kuntarahoitus OYJ, Reg. S 0.125% 07/03/2024	EUR	1,000,000	993,722	2.10
			<u>993,722</u>	<u>2.10</u>
<i>France</i>				
Agence Francaise de Developpement EPIC, Reg. S 2.25% 27/05/2025	EUR	1,000,000	988,403	2.09
Caisse Centrale du Credit Immobilier de France SA, Reg. S 0% 17/01/2024	EUR	1,600,000	1,597,564	3.38
Caisse d'Amortissement de la Dette Sociale, Reg. S 2.375% 25/01/2024	EUR	1,500,000	1,498,691	3.17
Caisse de Refinancement de l'Habitat SA 3.6% 08/03/2024	EUR	1,500,000	1,499,029	3.17
Dexia Credit Local SA, Reg. S 0.625% 03/02/2024	EUR	1,000,000	997,245	2.11
Dexia Credit Local SA, Reg. S 0.5% 17/01/2025	EUR	1,000,000	971,387	2.05
France Treasury Bill BTF, Reg. S 0% 06/03/2024	EUR	2,670,000	2,653,202	5.61
France Treasury Bill BTF, Reg. S 0% 04/04/2024	EUR	1,000,000	990,779	2.09
France Treasury Bill BTF, Reg. S 0% 02/05/2024	EUR	500,000	494,045	1.04
Region of Ile de France, Reg. S 3.625% 27/03/2024	EUR	600,000	599,196	1.27
SFIL SA, Reg. S 0% 24/05/2024	EUR	1,000,000	984,537	2.08
SNCF Reseau, Reg. S 4.5% 30/01/2024	EUR	1,250,000	1,250,312	2.64
Societe Generale SFH SA, Reg. S 0.5% 30/01/2025	EUR	1,000,000	970,031	2.05
UNEDIC ASSEO 2.375% 25/05/2024	EUR	1,100,000	1,093,273	2.31
			<u>16,587,694</u>	<u>35.06</u>
<i>Germany</i>				
Land Baden-Wuerttemberg, Reg. S, FRN 4.641% 19/02/2024	EUR	1,500,000	1,501,605	3.17
State of North Rhine-Westphalia Germany, Reg. S 0% 02/04/2024	EUR	1,000,000	990,704	2.10
			<u>2,492,309</u>	<u>5.27</u>

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco QI Long/Short Dynamic Duration As at 31 December 2023

Investments	Currency	Quantity/ Nominal Value	Market Value EUR	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
<i>Italy</i>				
Italy Buoni Poliennali Del Tesoro, Reg. S 1.85% 15/05/2024	EUR	1,500,000	1,489,547	3.15
			<u>1,489,547</u>	<u>3.15</u>
<i>Luxembourg</i>				
European Financial Stability Facility, Reg. S 0% 19/04/2024	EUR	1,075,000	1,063,723	2.25
			<u>1,063,723</u>	<u>2.25</u>
<i>Netherlands</i>				
ABN AMRO Bank NV, Reg. S 2.375% 23/01/2024	EUR	1,500,000	1,498,684	3.17
ING Bank NV, Reg. S 2.75% 21/11/2025	EUR	1,000,000	997,850	2.11
			<u>2,496,534</u>	<u>5.28</u>
<i>Norway</i>				
SpareBank 1 Boligkreditt A/S, Reg. S 0.375% 26/06/2024	EUR	1,000,000	983,535	2.08
			<u>983,535</u>	<u>2.08</u>
<i>South Korea</i>				
Export-Import Bank of Korea, Reg. S 0% 19/10/2024	EUR	1,000,000	969,911	2.05
Korea Development Bank (The), Reg. S 0% 10/07/2024	EUR	1,000,000	980,431	2.07
Korea Government Bond, Reg. S 2.125% 10/06/2024	EUR	1,000,000	991,250	2.10
			<u>2,941,592</u>	<u>6.22</u>
<i>Spain</i>				
Banco Bilbao Vizcaya Argentaria SA 4% 25/02/2025	EUR	1,000,000	1,005,823	2.13
Spain Bonos y Obligaciones del Estado 0% 31/05/2024	EUR	2,000,000	1,970,570	4.16
Spain Government Bond, Reg. S, 144A 3.8% 30/04/2024	EUR	700,000	700,091	1.48
			<u>3,676,484</u>	<u>7.77</u>
<i>Supranational</i>				
European Stability Mechanism Treasury Bill 0% 21/03/2024	EUR	1,000,000	991,887	2.10
European Stability Mechanism Treasury Bill 0% 18/04/2024	EUR	1,000,000	989,094	2.09
European Union Bill, Reg. S 0% 08/03/2024	EUR	1,000,000	993,374	2.10
European Union Bill, Reg. S 0% 05/04/2024	EUR	1,000,000	990,424	2.09
			<u>3,964,779</u>	<u>8.38</u>
<i>Sweden</i>				
Skandinaviska Enskilda Banken AB, Reg. S 3.25% 04/11/2025	EUR	1,000,000	1,005,274	2.12
			<u>1,005,274</u>	<u>2.12</u>

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco QI Long/Short Dynamic Duration As at 31 December 2023

Investments	Currency	Quantity/ Nominal Value	Market Value EUR	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
<i>United Kingdom</i>				
Nationwide Building Society, Reg. S 0.05% 03/06/2024	EUR	1,150,000	1,131,783	2.39
			1,131,783	2.39
Total Bonds			45,990,416	97.21
Total Transferable securities and money market instruments admitted to an official exchange listing			45,990,416	97.21
<b>Total Investments</b>			<b>45,990,416</b>	<b>97.21</b>
<b>Cash</b>			<b>516,643</b>	<b>1.09</b>
<b>Other assets/(liabilities)</b>			<b>800,935</b>	<b>1.70</b>
<b>Total net assets</b>			<b>47,307,994</b>	<b>100.00</b>

### Robeco QI Long/Short Dynamic Duration As at 31 December 2023

#### Financial Futures Contracts

Security Description	Number of Contracts	Currency	Global Exposure EUR	Unrealised Gain/(Loss) EUR	% of Net Assets
US 2 Year Note, 28/03/2024	27	USD	5,032,215	24,850	0.05
US 5 Year Note, 28/03/2024	53	USD	5,214,342	57,010	0.12
US 10 Year Note, 19/03/2024	20	USD	2,041,088	48,491	0.10
Japan 10 Year Bond, 13/03/2024	14	JPY	13,188,809	138,621	0.30
US Long Bond, 19/03/2024	42	USD	4,733,626	169,930	0.36
<b>Total Unrealised Gain on Financial Futures Contracts</b>				<b>438,902</b>	<b>0.93</b>
Euro-Schatz, 07/03/2024	(113)	EUR	(12,039,585)	(55,332)	(0.12)
Japan 10 Year Bond Mini, 12/03/2024	(2)	JPY	(188,181)	(1,849)	–
<b>Total Unrealised Loss on Financial Futures Contracts</b>				<b>(57,181)</b>	<b>(0.12)</b>
<b>Net Unrealised Gain on Financial Futures Contracts</b>				<b>381,721</b>	<b>0.81</b>

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco QI Long/Short Dynamic Duration As at 31 December 2023

#### Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) EUR	% of Net Assets
CHF	3,077,751	EUR	3,255,019	19/01/2024	Barclays	58,925	0.13
EUR	55,181	USD	59,646	11/01/2024	Barclays	1,203	–
EUR	279,024	USD	300,000	11/01/2024	BNP Paribas	7,529	0.02
EUR	416,104	USD	454,347	11/01/2024	HSBC	4,929	0.01
EUR	11,952	USD	13,124	19/01/2024	Barclays	79	–
EUR	941	USD	1,034	19/01/2024	UNPUBLISHED	6	–
JPY	30,000,000	EUR	192,428	11/01/2024	HSBC	393	–
USD	89,726	EUR	81,104	11/01/2024	HSBC	96	–
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>73,160</b>	<b>0.16</b>
EUR	47,610	CHF	44,895	19/01/2024	Barclays	(730)	–
EUR	162,954	JPY	25,934,173	11/01/2024	Barclays	(3,734)	(0.01)
EUR	198,752	JPY	31,063,830	11/01/2024	HSBC	(906)	–
USD	4,310	EUR	3,958	11/01/2024	BNP Paribas	(58)	–
USD	400,000	EUR	365,069	11/01/2024	UNPUBLISHED	(3,077)	(0.01)
USD	2,365,657	EUR	2,162,009	19/01/2024	Barclays	(21,893)	(0.05)
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(30,398)</b>	<b>(0.07)</b>
<b>Net Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>42,762</b>	<b>0.09</b>

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco Global Credits Feeder Fund – zero duration As at 31 December 2023

Investments	Currency	Quantity/ Nominal Value	Market Value EUR	% of Net Assets
Units of authorised UCITS or other collective investment undertakings				
Collective Investment Schemes - UCITS				
<i>Luxembourg</i>				
Robeco Global Credits - Z2H EUR <sup>†</sup>	EUR	4,396,305	472,326,105	93.04
			<u>472,326,105</u>	<u>93.04</u>
Total Collective Investment Schemes - UCITS			<u>472,326,105</u>	<u>93.04</u>
Total Units of authorised UCITS or other collective investment undertakings			<u>472,326,105</u>	<u>93.04</u>
<b>Total Investments</b>			<b><u>472,326,105</u></b>	<b><u>93.04</u></b>
<b>Cash</b>			<b><u>32,111,833</u></b>	<b><u>6.33</u></b>
<b>Other assets/(liabilities)</b>			<b><u>3,217,714</u></b>	<b><u>0.63</u></b>
<b>Total net assets</b>			<b><u>507,655,652</u></b>	<b><u>100.00</u></b>

<sup>†</sup>Related Party Fund.

## Schedule of Investments (continued)

### Robeco Global Credits Feeder Fund - zero duration

As at 31 December 2023

#### Financial Futures Contracts

Security Description	Number of Contracts	Currency	Global Exposure EUR	Unrealised Gain/(Loss) EUR	% of Net Assets
Euro-Bund, 07/03/2024	14	EUR	1,921,080	7,800	–
<b>Total Unrealised Gain on Financial Futures Contracts</b>				<b>7,800</b>	<b>–</b>
US 2 Year Note, 28/03/2024	(48)	USD	(8,946,159)	(94,574)	(0.02)
US 5 Year Note, 28/03/2024	(983)	USD	(96,711,296)	(2,113,751)	(0.42)
US 10 Year Note, 19/03/2024	(261)	USD	(26,636,194)	(518,952)	(0.10)
US 10 Year Ultra Bond, 19/03/2024	(112)	USD	(11,941,792)	(540,290)	(0.11)
Australia 10 Year Bond, 15/03/2024	(19)	AUD	(1,369,239)	(7,889)	–
Canada 10 Year Bond, 19/03/2024	(128)	CAD	(10,912,490)	(526,379)	(0.10)
Euro-Bobl, 07/03/2024	(428)	EUR	(51,051,840)	(680,339)	(0.14)
Euro-Buxl 30 Year Bond, 07/03/2024	(11)	EUR	(1,558,920)	(106,668)	(0.02)
Euro-Schatz, 07/03/2024	(113)	EUR	(12,039,585)	(55,332)	(0.01)
Japan 10 Year Bond, 13/03/2024	(2)	JPY	(1,884,116)	(1,027)	–
Long Gilt, 26/03/2024	(57)	GBP	(6,752,291)	(465,721)	(0.09)
US Long Bond, 19/03/2024	(14)	USD	(1,577,875)	(118,146)	(0.02)
US Ultra Bond, 19/03/2024	(65)	USD	(7,829,686)	(706,355)	(0.14)
<b>Total Unrealised Loss on Financial Futures Contracts</b>				<b>(5,935,423)</b>	<b>(1.17)</b>
<b>Net Unrealised Loss on Financial Futures Contracts</b>				<b>(5,927,623)</b>	<b>(1.17)</b>

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco Global Credits Feeder Fund – zero duration As at 31 December 2023

#### Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) EUR	% of Net Assets
CAD	39,233	EUR	26,521	10/01/2024	HSBC	409	–
EUR	29,150,681	GBP	25,000,000	09/01/2024	Barclays	305,607	0.06
EUR	84,474	GBP	72,713	10/01/2024	Barclays	580	–
EUR	3,265,329	GBP	2,821,860	10/01/2024	HSBC	9,566	–
EUR	13,092,882	USD	14,299,726	10/01/2024	Barclays	151,322	0.03
EUR	5,284,924	USD	5,741,240	10/01/2024	HSBC	88,978	0.02
GBP	1,602,744	EUR	1,842,860	09/01/2024	Barclays	6,391	–
USD	620,000	EUR	560,163	10/01/2024	Barclays	950	–
USD	1,926,340	EUR	1,732,406	10/01/2024	HSBC	10,974	–
<b>Total Unrealised Gain on Forward Currency Exchange Contracts - Assets</b>						<b>574,777</b>	<b>0.11</b>
EUR	41,126	CAD	60,288	10/01/2024	HSBC	(257)	–
EUR	612,213	USD	681,564	10/01/2024	HSBC	(4,618)	–
GBP	462,048,366	EUR	535,538,586	09/01/2024	Barclays	(2,425,823)	(0.48)
GBP	1,612,257	EUR	1,868,648	09/01/2024	UNPUBLISHED	(8,421)	–
USD	3,417,469	EUR	3,154,641	10/01/2024	Barclays	(61,757)	(0.01)
USD	9,347,674	EUR	8,566,858	10/01/2024	HSBC	(107,012)	(0.02)
<b>Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(2,607,888)</b>	<b>(0.51)</b>
<b>Net Unrealised Loss on Forward Currency Exchange Contracts - Liabilities</b>						<b>(2,033,111)</b>	<b>(0.40)</b>

### Robeco Global Credits Feeder Fund – zero duration As at 31 December 2023

#### Interest Rate Swap Contracts

Nominal Amount	Currency	Counterparty	Security Description	Maturity Date	Market Value EUR	% of Net Assets
4,658,000	USD	Barclays	Pay fixed 2.753% Receive floating SOFR 1 day	12/01/2063	324,078	0.06
5,000,000	USD	Barclays	Pay fixed 1.199% Receive floating SOFR 1 day	06/01/2027	329,258	0.06
4,000,000	GBP	Barclays	Pay fixed 0.915% Receive floating SONIA 1 day	11/10/2026	344,499	0.07
75,000,000	USD	Barclays	Pay fixed 3.39% Receive floating SOFR 1 day	13/09/2025	983,528	0.19
29,933,000	USD	Barclays	Pay fixed 3.191% Receive floating SOFR 1 day	12/01/2043	1,046,915	0.21
21,228,000	USD	Barclays	Pay fixed 2.967% Receive floating SOFR 1 day	12/01/2053	1,197,178	0.24
13,800,000	USD	Barclays	Pay fixed 2.628% Receive floating SOFR 1 day	21/04/2042	1,430,205	0.28
4,100,000	GBP	Barclays	Pay fixed 0.758% Receive floating SONIA 1 day	11/10/2041	1,658,867	0.33

The accompanying notes form an integral part of these financial statements.

## Schedule of Investments (continued)

### Robeco Global Credits Feeder Fund – zero duration

#### Interest Rate Swap Contracts (continued)

Nominal Amount	Currency	Counterparty	Security Description	Maturity Date	Market Value EUR	% of Net Assets
33,000,000	USD	Barclays	Pay fixed 2.643% Receive floating SOFR 1 day	21/04/2032	1,753,650	0.35
<b>Total Market Value on Interest Rate Swap Contracts - Assets</b>					<b>9,068,178</b>	<b>1.79</b>
21,531,000	EUR	Barclays	Pay fixed 2.904% Receive floating EURIBOR 6 month	12/01/2033	(743,332)	(0.15)
<b>Total Market Value on Interest Rate Swap Contracts - Liabilities</b>					<b>(743,332)</b>	<b>(0.15)</b>
<b>Net Market Value on Interest Rate Swap Contracts - Assets</b>					<b>8,324,846</b>	<b>1.64</b>

### Robeco Global Credits Feeder Fund – zero duration

As at 31 December 2023

#### Credit Default Swap Contracts

Nominal Amount	Currency	Counterparty	Reference Entity	Buy/Sell	Interest (Paid)/ Received Rate	Maturity Date	Market Value EUR	% of Net Assets
5,600,000	USD	Citigroup	CDX.NA.HY.41-V2	Sell	5.00%	20/12/2028	292,760	0.05
2,300,000	USD	Citigroup	CDX.NA.IG.41-V1	Sell	1.00%	20/12/2028	40,387	0.01
2,500,000	EUR	Citigroup	ITRAXX.EUROPE.CROSSOVER.40- V1	Sell	5.00%	20/12/2028	199,150	0.04
15,000,000	EUR	Citigroup	ITRAXX.EUROPE.MAIN.40-V1	Sell	1.00%	20/12/2028	291,330	0.06
<b>Total Market Value on Credit Default Swap Contracts - Assets</b>							<b>823,627</b>	<b>0.16</b>
<b>Net Market Value on Credit Default Swap Contracts - Assets</b>							<b>823,627</b>	<b>0.16</b>

The accompanying notes form an integral part of these financial statements.

## Other data (unaudited)

### Savings directive information

Robeco (LU) Funds III is subject to the EU savings directive.

### Stock-exchange listing

All the Robeco (LU) Funds III share-classes D and D2 are listed on the Luxembourg Stock Exchange.

### Global exposure

The table below presents an overview of the method used to calculate the global exposure and the highest, lowest and average level of leverage during the period of 1 January 2023 through 31 December 2023.

Sub-fund	Method used to calculate the global exposure	Expected level of leverage	Lowest level of leverage	Highest level of leverage	Average level of leverage	Lowest level of VaR	Highest level of VaR	Average level of VaR
Robeco QI Long/Short Dynamic Duration	Absolute VaR	100%	31%	108%	79%	0%	7%	4%
Robeco High Yield Bonds Feeder Fund – zero duration <sup>1</sup>	Relative VaR	250%	48%	112%	91%	2%	105%	64%
Robeco Financial Institutions Bonds Feeder Fund – zero duration <sup>2</sup>	Relative VaR	250%	34%	78%	66%	0%	125%	64%
Robeco Global Credits Feeder Fund – zero duration	Relative VaR	350%	69%	121%	95%	18%	42%	28%

The VaR is calculated on a daily basis, in accordance with UCITS regulation (99% confidence interval).

<sup>1</sup> The Sub-fund has been liquidated on 23 October 2023. The funds covers the financial period 15 May 2018 until 23 October 2023.

<sup>2</sup> The Sub-fund has been liquidated on 23 October 2023. The funds covers the financial period 27 April 2018 until 23 October 2023.

## Other data (unaudited) (continued)

### Remuneration policy and remuneration paid

The Fund itself does not employ any personnel and is managed by RIAM. The remuneration for persons working for RIAM comes out of the management fee.

#### Remuneration policy

RIAM's remuneration policy, which applies to all staff working under its responsibility, complies with the applicable requirements laid down in the European framework documents of the UCITS Directive and the ESMA guidelines for a responsible remuneration policy under the UCITS Directive.

The remuneration policy of RIAM can be obtained free of charge at the offices of the Company.

This remuneration policy applies to all staff of RIAM, including individuals who may have a material impact on the risk profile of the Fund. These persons are designated to be 'Identified Staff'.

#### Responsibility for and application of the policy

RIAM's Remuneration Policy is determined, applied and annually reviewed by and on behalf of RIAM with the approval of its shareholder, the (Board of) Robeco Holding B.V. For each review (the Board of) Robeco Holding B.V. shall obtain prior advice from the Supervisory Board of RIAM, which acts as its Supervisory Board. In the application and evaluation of the remuneration policy, RIAM occasionally makes use of the services of various external advisers.

#### Remuneration in 2023

The total remuneration granted for RIAM over the performance year 2023 is shown in the table below:

<b>Total remuneration RIAM in EUR x 1</b>		
<b>Staff category</b>	<b>Fixed pay for 2023</b>	<b>Variable pay for 2023</b>
Board of RIAM (3 members)	1,874,236	2,350,000
Identified Staff (105) (ex Board)	21,113,656	16,276,633
Other employees (722 employees)	67,490,487	19,117,894

Of the total amounts granted in remuneration in 2023 to the Board Identified Staff and Other Employees, the following amounts are attributable to the Fund:

<b>Remuneration assigned to the Fund in EUR x 1</b>		
<b>Staff category</b>	<b>Fixed pay for 2023</b>	<b>Variable pay for 2023</b>
Board of RIAM (3 members)	6,702	8,403
Identified Staff (105) (ex Board)	75,497	58,201
Other employees (722 employees)	241,330	68,361

The total of the fixed and variable remuneration attributable to the Fund is EUR 458,494. Imputation occurs according to the following key:

$$\text{Total remuneration (fixed and variable)} \times \frac{\text{Total Fund assets}}{\text{Total assets under management (RIAM)}}$$

As mentioned above the remuneration, which comes out of the management fee, is paid by RIAM and is therefore not charged to the Fund separately.

#### Board Remuneration

The Board believes that the remuneration of its members should reflect the responsibilities and experience of the Board as a whole and be fair and appropriate given the size, complexity and investment objectives of the Fund. The remuneration is reviewed on an annual basis. The Independent directors have been paid EUR 40,000 for the year ended 31 December 2023. No variable remuneration is paid to the independent directors. The other directors have agreed to waive their remuneration.

## Other data (unaudited) (continued)

### Additional information Securities Financing Transaction

#### Securities Financing Transactions

The Fund engages in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions (SFTs) include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) and/or Total Return Swaps. In accordance with Article 13 of the Regulation, the Fund's involvement in and exposures related to SFTs and Total Return Swaps for the reporting date are detailed below.

#### Securities Lending

#### Global Data

##### Amount of securities on loan

The total value of securities on loan as a proportion of the Sub-funds' total lendable assets as at the reporting date is detailed below. Total lendable assets represent the aggregate value of asset types forming part of the Sub-funds' securities lending programme.

<b>Sub-fund</b>	<b>% of Total Lendable Assets</b>
Robeco QI Long/Short Dynamic Duration	10.79%

##### Amount of assets engaged in each type of SFTs and Total Return Swaps

The following table represents the fair value of assets engaged in each type of SFTs (including Total Return Swaps) in the fund currency.

	<b>Market value of Securities on Loan (in Sub-fund Currency)</b>	<b>% of AUM</b>
<b>Robeco QI Long/Short Dynamic Duration</b>	<b>EUR</b>	
Securities lending	4,994,992	10.56%

#### Concentration Data

##### Ten largest collateral issuers

The following table lists the ten largest issuers by value of non-cash collateral received by the Sub-funds by way of title transfer collateral arrangement across securities lending transactions, reverse repurchase agreements and Over The Counter (OTC) derivatives transactions (including Total Return Swaps), as at the reporting date.

<b>Issuer</b>	<b>Non-Cash Collateral</b>
<b>Robeco QI Long/Short Dynamic Duration</b>	<b>EUR</b>
French Government	1,423,683
German Government	1,075,437
Austrian Government	970,483
US Government	786,309
Finnish Government	328,262
Belgian Government	299,369
Dutch Government	295,244
UK Government	5,294

## Other data (unaudited) (continued)

### Additional information Securities Financing Transaction (continued)

#### Securities Lending (continued)

#### Concentration data (continued)

#### Top ten counterparties

The following table provides details of the top ten counterparties (based on gross volume of outstanding transactions), in respect of SFTs and Total Return Swaps, as at the reporting date.

Counterparty	Outstanding Transactions
<b>Robeco QI Long/Short Dynamic Duration</b>	<b>EUR</b>
<b>Securities lending</b>	
J.P. Morgan	1,778,504
Nomura	993,250
Societe Generale	791,248
Deutsche Bank	739,235
Barclays	495,855
Goldman Sachs	196,900

#### Country in which counterparties are established

The following table provides details of the country of incorporation of counterparties across all SFTs and Total Return Swaps, as at the reporting date.

Counterparty	Country of Incorporation
Barclays	United Kingdom
Deutsche Bank	Germany
Goldman Sachs	United States of America
J.P. Morgan	United States of America
Nomura	Japan
Societe Generale	France

#### Aggregate transaction data

#### Type and quality of collateral

The following table provides an analysis of the type and quality of non-cash collateral received by the Sub-funds in respect of SFTs and OTC derivative transactions (including Total Return Swaps), as at the reporting date.

#### Type of collateral received

Robeco QI Long/Short Dynamic Duration	EUR
<b>Securities lending</b>	
Bond	Investment Grade
	5,184,081
	<b>5,184,081</b>

## Other data (unaudited) (continued)

### Additional information Securities Financing Transaction (continued)

#### Securities Lending (continued)

#### Aggregate transaction data (continued)

#### Maturity tenor of collateral

The following table provides an analysis of the maturity tenor of collateral received in relation to SFTs and OTC derivative transactions (including Total Return Swaps) as at the reporting date.

Maturity	Less than 1		1 to 3	3 to 12	More than	Open	Total	
	day	1 to 7 days						1 to 4 weeks
<b>Robeco QI Long/Short</b>								
<b>Dynamic Duration</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	
Securities lending	–	7,782	168,764	104,086	333,988	4,569,461	–	<b>5,184,081</b>

#### Currency of collateral

The following table provides an analysis of the currency profile of collateral received in relation to SFTs and OTC derivative transactions (including Total Return Swaps) as at the reporting date in the currency of the Sub-funds.

Received in Currency	Value in Sub-fund currency
<b>Robeco QI Long/Short</b>	<b>EUR</b>
<b>Dynamic Duration</b>	<b>Securities lending</b>
EUR	4,392,477
GBP	5,295
USD	786,309
	<b>5,184,081</b>

#### Maturity tenor of securities lending transactions

All securities on loan can be recalled at any point. The Fund's securities lending transactions have open maturity.

#### Settlement and clearing

The Fund's securities lending transactions, including related collateral, are settled and cleared on a tri-party basis.

#### Re-use of collateral

Non cash collateral, received in a securities lending transaction may not be sold, re-invested or pledged. Cash collateral received from such transactions is re-used in a reverse repurchase transaction.

#### Safekeeping of collateral

#### Collateral received

J.P. Morgan SE, Luxembourg Branch as securities lending agent of the Fund, is responsible for the safekeeping of the collateral received in respect of securities lending transactions as at the reporting date. The Custodian J.P. Morgan SE is ultimately liable for any loss of instruments held in custody or by a third party to whom custody had been delegated (the sub-custody).

#### Collateral granted

No collateral is granted by the Company as part of their securities lending activities.

#### Return and cost

The total income earned from securities lending transactions is split between the fund and the securities lending agent. Details of this split are disclosed in notes to the financial statements on page 23. Income earned during the period by the Fund from securities lending transactions is disclosed in the Combined Statement of Operations and Changes in Net Assets on pages 13 and 14.

# Sustainability disclosures (unaudited)

## ANNEX IV

### Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Robeco (LU) Funds III - Robeco QI Long/Short Dynamic Duration  
**Legal entity identifier:** 213800QXP1AG42APWP21

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <b>Yes</b>	<input type="radio"/> <input checked="" type="radio"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input checked="" type="checkbox"/> It promoted <b>Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 66.1% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

- The sub-fund's portfolio complied with Robeco's Exclusion Policy that is based on exclusion criteria that Robeco believes are detrimental to society and incompatible with sustainable investment strategies. Robeco deems investing in government bonds (federal or local) of countries where serious violations of human rights or a collapse of the governance structure take place as unsustainable. In addition, Robeco will follow applicable sanctions of the UN, EU or US to which it is subject and follows any mandatory (investment) restrictions deriving therefrom. This means that the Sub-fund has no exposure to excluded securities, taking into account a grace period.
- The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.
- Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk, based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

## Sustainability disclosures (unaudited)

approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.

4. The sub-fund excluded sovereign bonds issued by the bottom 15% of the WGI Control of Corruption ranking.
5. The sub-fund's portfolio had a minimum weighted average score of at least 6 on Robeco's Country Sustainability Ranking.

### ● **How did the sustainability indicators perform?**

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2023.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
3. 0.00% of the holdings in portfolio had an elevated sustainability risk profile.
4. The mandate excluded sovereign bonds issued by the bottom 15% of the WGI Control of Corruption ranking.
5. The mandate's portfolio had a minimum weighted average score of 7.73 on Robeco's Country Sustainability Ranking.

### ● **...and compared to previous periods?**

<b>Sustainability indicator</b>	<b>2023</b>	<b>2022</b>
Investments on exclusion list	0.00%	0.00%
Companies in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises	0	0
Holdings with an elevated sustainability risk profile	0.00%	0.00%
Exclusion of bottom 15% sovereign bonds of the WGI Control of Corruption ranking	15%	15%
Weighted average Country Sustainability Ranking	7.73	7.97

### ● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

# Sustainability disclosures (unaudited)

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 or -3 may even cause significant harm.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were considered in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 5, table 1 regarding the share of energy consumption from non-renewable sources was considered via engagement and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy consumption per High Impact Climate sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans  $\geq 300$  MW)).
- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.

## Sustainability disclosures (unaudited)

- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occurred. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 14, table 1 regarding exposure to controversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons: 1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines. 2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions. 3. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons. 5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.

— — *Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

# Sustainability disclosures (unaudited)

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 0.00% of the net assets
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0.00% of the net assets
  - The share of investments in investee companies with sites/operations located in or near biodiversity sensitive areas where activities of those investee companies negatively affect those areas (PAI 7, Table 1) was 0.00% of the net assets
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0.00% of the net assets

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via Robeco's entity engagement program, the following PAIs are considered:
  - Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 1, table 1: GHG emissions 1 case. PAI 2, table 1: Carbon footprint 1 case. PAI 3, table 1: GHG intensity of investee companies 1 case. PAI 4, table 1: Exposure to companies active in the fossil fuel sector 1 case. PAI 5, table 1: Share of non renewable energy consumption and production 1 case. PAI 6, table 1: Energy consumption intensity per high impact climate sector 1 case.
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0.00% of the net assets

# Sustainability disclosures (unaudited)

- In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of the Sub-fund that cause adverse impact might be selected for engagement.
- The Green House Gas intensity of investee countries was 137 tons per EUR million GDP
- The number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law was 0.00
- The Green House Gas intensity of investee countries was 137 tons per EUR million GDP



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 January 2023 through 31 December 2023

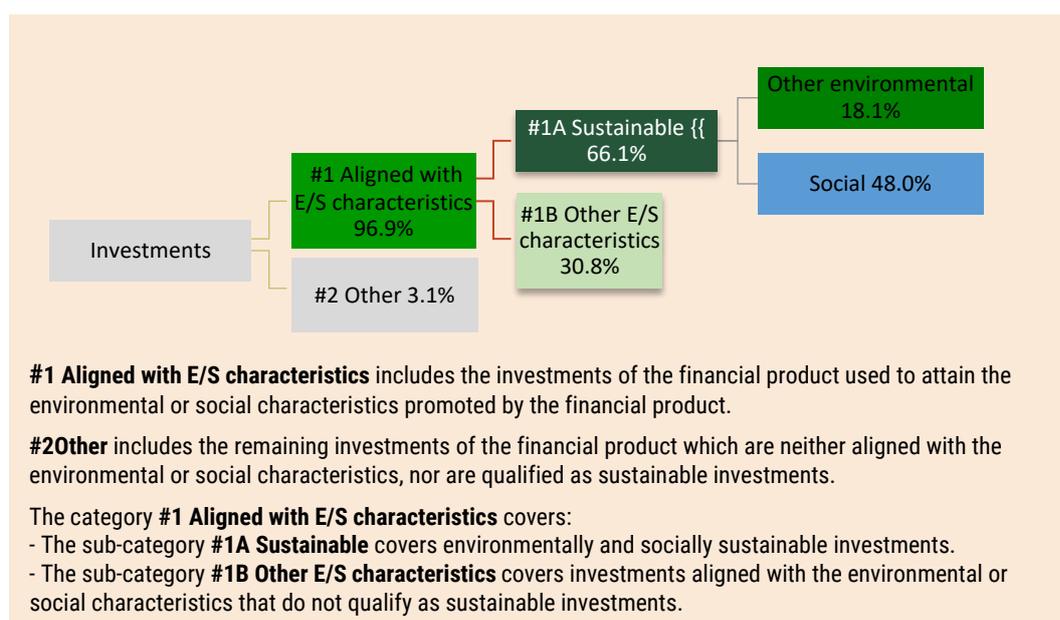
Largest investments	Sector	% Assets	Country
Spain Government Bond	Treasuries	4.43%	Spain
European Stability Mechanism Treasury Bill	Supranational	4.34%	European Union
European Union Bill	Supranational	4.09%	European Union
Dexia Credit Local SA	Government Guarantee	3.78%	France
Caisse de Refinancement de l'Habitat SA	Mortgage Assets	3.19%	France
Land Baden-Wuerttemberg	Local Authorities	3.19%	Germany
Caisse Centrale du Credit Immobilier de France SA	Government Guarantee	3.10%	France
France Treasury Bill BTF	Treasuries	3.13%	France
French Republic Government Bond OAT	Treasuries	2.93%	France
Land Berlin	Local Authorities	2.90%	Germany
Caisse d'Amortissement de la Dette Sociale	Government Guarantee	2.97%	France
ABN AMRO Bank NV	Mortgage Assets	2.97%	Netherlands
State of Brandenburg	Local Authorities	2.89%	Germany
Gemeinsame Deutsche Bundeslaender	Local Authorities	2.62%	Germany
Italy Buoni Poliennali Del Tesoro	Treasuries	2.87%	Italy

## What was the proportion of sustainability-related investments?

96.9%

### ● What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



# Sustainability disclosures (unaudited)

## ● In which economic sectors were the investments made?

GICS Sector Level 3	Average exposure in % over the reporting period
<b>Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -</b>	
Not applicable	0.00
<b>Other sectors</b>	
Mortgage Assets	27.91%
Local Authorities	19.31%
Treasuries	16.35%
Government Guarantee	12.57%
Supranational	9.48%
Owned No Guarantee	9.31%
Sovereign	1.95%
Cash and other instruments	3.12%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.



## ● To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%.

## ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy 1?

Yes:  
 In fossil gas     In nuclear energy  
 No

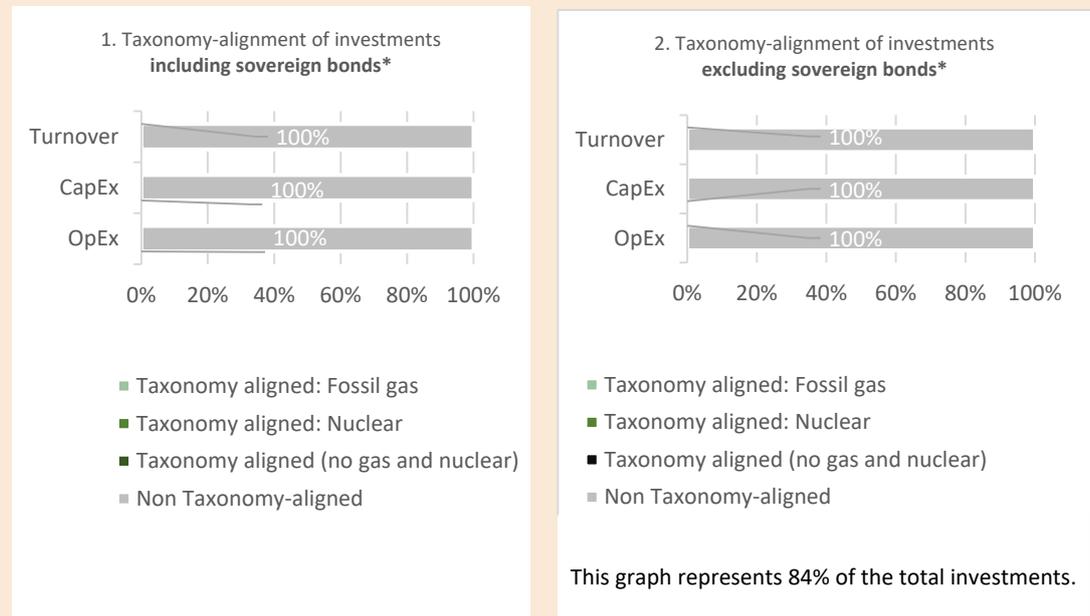
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

# Sustainability disclosures (unaudited)

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

## ● What was the share of investments made in transitional and enabling activities?

0%.



## What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

18.1%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and production), 13 (climate action), 14 (life below water) or 15 (life on land).



## What was the share of socially sustainable investments?

48.0%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (quality education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong institutions) or 17 (partnerships for the goals).



## What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

## Sustainability disclosures (unaudited)

management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reporting period, the overall sustainability profile of the sub-fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 2 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues.

# Sustainability disclosures (unaudited)

## ANNEX IV

### Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Robeco (LU) Funds III - Robeco High Yield Bonds Feeder Fund - zero duration  
**Legal entity identifier:** 21380008ZDKJ53LY9H68

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective:**

\_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** \_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 60.7% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
2. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.
3. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 10% to investments with an elevated sustainability risk, based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.
4. The sub-fund invested a minimum of 2% in green, social, sustainable, and/or sustainability-linked bonds.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

# Sustainability disclosures (unaudited)

## ● **How did the sustainability indicators perform?**

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 30 September 2023.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
3. 7.08% of the holdings in portfolio had an elevated sustainability risk profile.
4. The sub-fund invested 4.96% of its assets in green, social, sustainable and/or sustainability-linked bonds.

## ● **...and compared to previous periods?**

<b>Sustainability indicator</b>	<b>2023</b>	<b>2022</b>
Investments on exclusion list	0.00%	0.00%
Companies in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises	0	0
Holdings with an elevated sustainability risk profile	7.08%	4.88%
Investments in green, social, sustainable and/or sustainability-linked bonds	4.96%	4.54%

## ● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

## ● **How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?**

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

# Sustainability disclosures (unaudited)

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## How were the indicators for adverse impacts on sustainability factors taken into account?

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were considered in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 5, table 1 regarding the share of energy consumption from non-renewable sources was considered via engagement and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy consumption per High Impact Climate sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans  $\geq 300$  MW)).
- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.
- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these

## Sustainability disclosures (unaudited)

international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occurred. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.

- PAI 14, table 1 regarding exposure to controversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons: 1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines. 2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions. 3. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons. 5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.
- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*

# Sustainability disclosures (unaudited)



## How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 10.17% of the net assets
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets
  - Exposure to companies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 1.61% of the net assets. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0.00% of the net assets
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- Via Robeco's entity engagement program, the following PAIs were considered:
  - At year end 7 companies in portfolio were subject to the Robeco Entity Engagement program. Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 8, table 1: Emissions to water 2 cases. PAI 9, table 1: Hazardous waste and radioactive waste ratio 2 cases. PAI 12, table 1: Unadjusted gender pay gap 1 case.
  - All indicators related to Climate and other environment-related indicators (PAI 1-13, Table 1)
  - Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.

# Sustainability disclosures (unaudited)



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 January 2023 through 30 September 2023

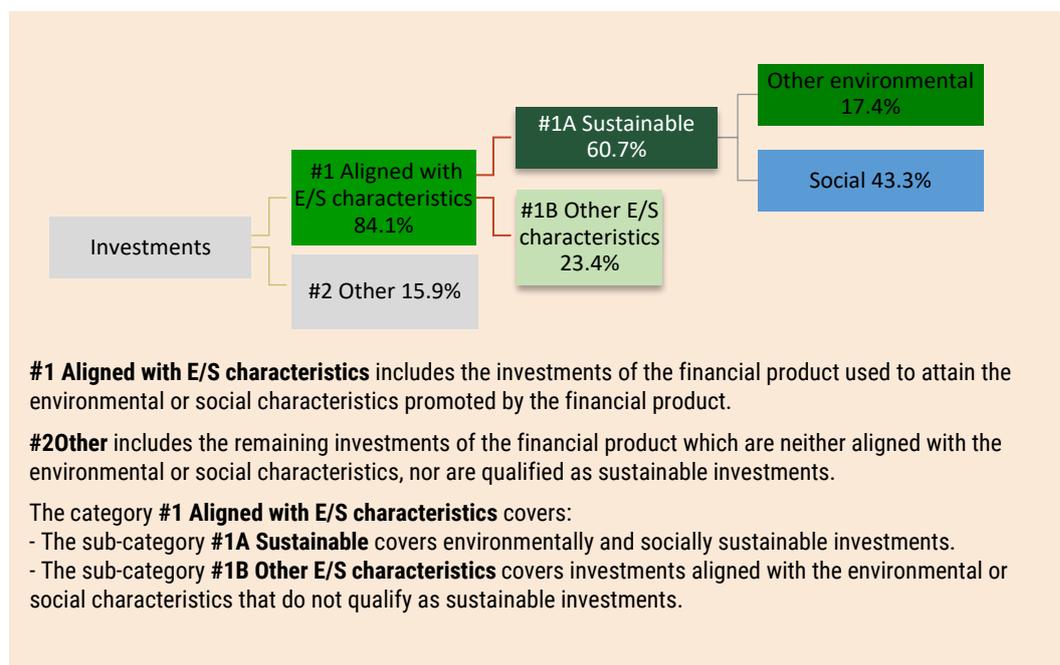
Largest investments	Sector	% Assets	Country
4.750 CCO HLDGS LLC/CAP CORP 01-MAR-2030	Communications	0.78%	United States
3.875 CANPACK SA/CANPACK US 15-NOV-2029	Capital Goods	0.73%	Poland
7.875 MAUSER PACKAGING SOLUT 15-AUG-2026	Capital Goods	0.67%	United States
6.000 CNX RESOURCES CORP 15-JAN-2029	Energy	0.62%	United States
2.000 ZF EUROPE FINANCE BV 23-FEB-2026	Consumer Cyclical	0.56%	Germany
5.500 XEROX HOLDINGS CORP 15-AUG-2028	Technology	0.55%	United States
2.375 FORVIA SE 15-JUN-2027	Consumer Cyclical	0.54%	France
6.875 SPRINT CAPITAL CORP 15-NOV-2028	Communications	0.53%	United States
5.125 CCO HLDGS LLC/CAP CORP 01-MAY-2027	Communications	0.52%	United States
5.250 B&G FOODS INC 15-SEP-2027	Consumer Non Cyclical	0.52%	United States
4.000 PACTIV EVERGREEN GROUP 15-OCT-2027	Capital Goods	0.51%	United States
5.500 MERCER INTL INC 15-JAN-2026	Basic Industry	0.51%	Germany
3.500 ALBERTSONS COS/SAFEWAY 15-MAR-2029	Consumer Non Cyclical	0.50%	United States
4.750 STANDARD INDUSTRIES INC 15-JAN-2028	Capital Goods	0.50%	United States
4.375 FMG RESOURCES AUG 2006 01-APR-2031	Basic Industry	0.49%	Australia

## What was the proportion of sustainability-related investments?

84.1%

### What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



# Sustainability disclosures (unaudited)

## ● In which economic sectors were the investments made?

GICS Sector Level 3	Average exposure in % over the reporting period
<b>Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -</b>	
Energy	8.69%
<b>Other sectors</b>	
Capital Goods	15.57%
Consumer Cyclical	11.96%
Consumer Non Cyclical	11.95%
Communications	11.61%
Basic Industry	10.12%
Banking	5.62%
Technology	3.74%
Transportation	1.55%
Owned No Guarantee	1.03%
Industrial Other	0.60%
Insurance	0.57%
Financial Other	0.43%
Electric	0.43%
Utility Other	0.15%
Non-Agency CMBS	0.06%
Cash and other instruments	15.92%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.



## ● To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%.

### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy 1?

Yes:  
 In fossil gas     In nuclear energy  
 No

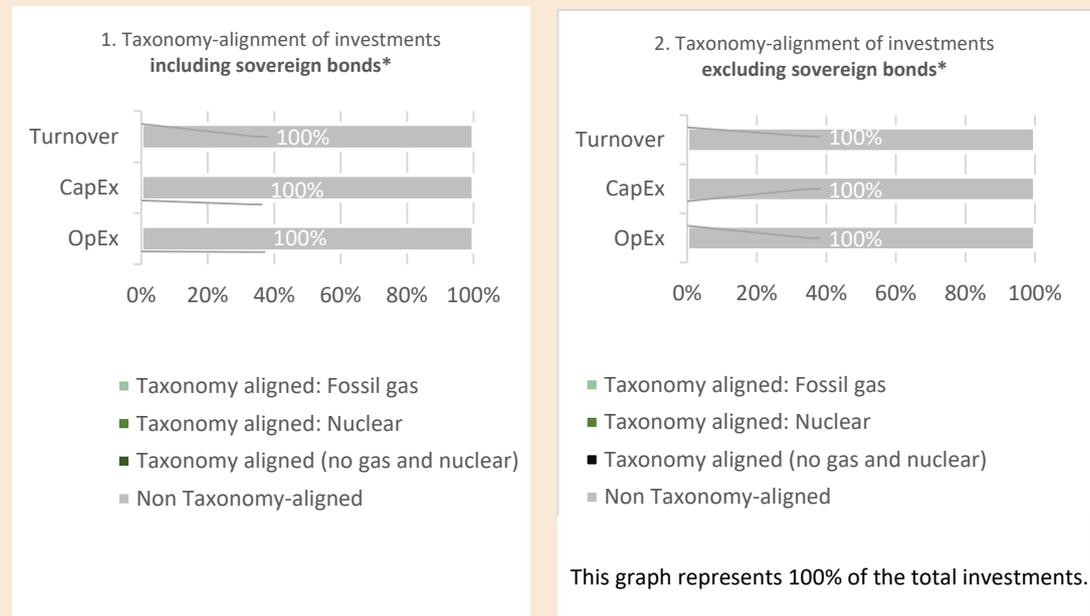
**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

# Sustainability disclosures (unaudited)

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

● **What was the share of investments made in transitional and enabling activities?**

0%.



**What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

17.4%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and production), 13 (climate action), 14 (life below water) or 15 (life on land).



**What was the share of socially sustainable investments?**

43.3%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (quality education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong institutions) or 17 (partnerships for the goals).



**What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

## Sustainability disclosures (unaudited)

management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reporting period, the overall sustainability profile of the sub-fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 17 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues. In addition, 4.96% of the assets were invested in green bonds.

# Sustainability disclosures (unaudited)

## ANNEX IV

### Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Robeco (LU) Funds III - Robeco Financial Institutions Bonds Feeder Fund - zero duration  
**Legal entity identifier:** 213800FTVCGHSPWMCJ62

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>Yes</b>	<input type="radio"/> <input type="radio"/> <input checked="" type="checkbox"/> <b>No</b>
<input type="checkbox"/> It made <b>sustainable investments with an environmental objective:</b> ___% <ul style="list-style-type: none"> <li><input type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <input type="checkbox"/> It made <b>sustainable investments with a social objective:</b> ___%	<input checked="" type="checkbox"/> It <b>promoted Environmental/Social (E/S) characteristics</b> and while it did not have as its objective a sustainable investment, it had a proportion of 86.8% of sustainable investments <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> with a social objective</li> </ul> <input type="checkbox"/> It promoted E/S characteristics, but <b>did not make any sustainable investments</b>



### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
2. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.
3. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk, based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.

# Sustainability disclosures (unaudited)

separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.

4. The sub-fund invested a minimum of 5% in green, social, sustainable, and/or sustainability-linked bonds.

## ● **How did the sustainability indicators perform?**

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 30 September 2023.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
3. 0.00% of the holdings in portfolio had an elevated sustainability risk profile.
4. The sub-fund invested 8.15% of its assets in green, social, sustainable and/or sustainability-linked bonds.

## ● **...and compared to previous periods?**

<b>Sustainability indicator</b>	<b>2023</b>	<b>2022</b>
Investments on exclusion list	0.00%	0.00%
Companies in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises	0	0
Holdings with an elevated sustainability risk profile	0.00%	0.00%
Investments in green, social, sustainable and/or sustainability-linked bonds	8.15%	6.12%

## ● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

# Sustainability disclosures (unaudited)

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were considered in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 5, table 1 regarding the share of energy consumption from non-renewable sources was considered via engagement and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy consumption per High Impact Climate sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans  $\geq 300$  MW)).
- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.

## Sustainability disclosures (unaudited)

- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occurred. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 14, table 1 regarding exposure to controversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons: 1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines. 2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions. 3. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons. 5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.
- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

# Sustainability disclosures (unaudited)

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



## How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 0% of the net assets
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0% of the net assets
  - Exposure to companies exploiting activities negatively affecting biodiversity-sensitive areas (PAI 7, Table 1) was 0% of the net assets. The consideration of this PAI is currently restricted to applying exclusions to palm oil producing companies and for any breaches to the UNGC, UNGP and OECD Guidelines for Multinational Enterprises in relation to biodiversity.
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0% of the net assets
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - All indicators related to GHG emissions, as part of the required Climate Risk analysis (PAI 1-6, Table 1, PAI 4, Table 2)
  - Biodiversity, water and waste indicators (PAI 7-9, Table 1) when relevant for the sector

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- Via Robeco's entity engagement program, the following PAIs were considered:
  - All indicators related to Climate and other environment-related indicators (PAI 1-13, Table 1)

# Sustainability disclosures (unaudited)

- Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1)
- In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of The Sub-fund that cause adverse impact might be selected for engagement.



## What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 January 2023 through 30 September 2023

### Largest investments

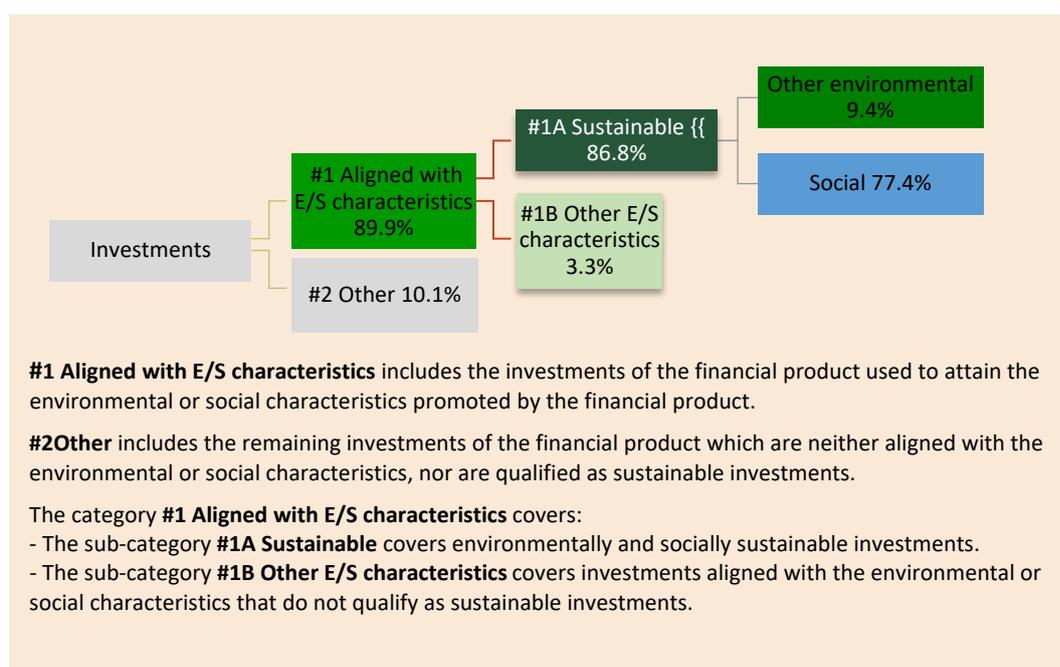
	Sector	% Assets	Country
2.000 BUNDESREPUB. DEUTSCHLAND 15-AUG-2023	Treasuries	5.12%	Germany
6.364 HSBC HOLDINGS PLC 16-NOV-2032	Banking	2.47%	United Kingdom
4.375 MAPFRE SA 31-MAR-2047	Insurance	2.17%	Spain
7.000 ASR NEDERLAND NV 07-DEC-2043	Insurance	1.75%	Netherlands
4.875 KBC GROUP NV 25-APR-2033	Banking	1.72%	Belgium
5.101 AUST & NZ BANKING GROUP 03-FEB-2033	Banking	1.72%	Australia
3.375 ELM BV (HELVETIA SCHWEIZ) 29-SEP-2047	Insurance	1.67%	Switzerland
3.375 SAMPO OYJ 23-MAY-2049	Insurance	1.64%	Finland
4.250 FIDELIDADE CIA SEGUROS 04-SEP-2031	Insurance	1.44%	Portugal
2.125 ING GROEP NV 26-MAY-2031	Banking	1.43%	Netherlands
1.500 RAIFFEISEN BANK INTL 12-MAR-2030	Banking	1.41%	Austria
1.750 BPCE SA 02-FEB-2034	Banking	1.39%	France
1.625 ERSTE GROUP BANK AG 08-SEP-2031	Banking	1.29%	Austria
4.500 ELM BV (SWISS LIFE) (Perp)	Insurance	1.24%	Switzerland
1.375 DANSKE BANK A/S 12-FEB-2030	Banking	1.21%	Denmark

## What was the proportion of sustainability-related investments?

89.9%

### What was the asset allocation?

Asset allocation describes the share of investments in specific assets.



# Sustainability disclosures (unaudited)

## ● In which economic sectors were the investments made?

GICS Sector Level 3	Average exposure in % over the reporting period
<b>Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -</b>	
Not applicable	0.00
<b>Other sectors</b>	
Banking	48.55%
Insurance	32.33%
Treasuries	4.38%
Owned No Guarantee	3.95%
Financial Other	0.69%
Cash and other instruments	10.10%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities are** activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



## ● To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%.

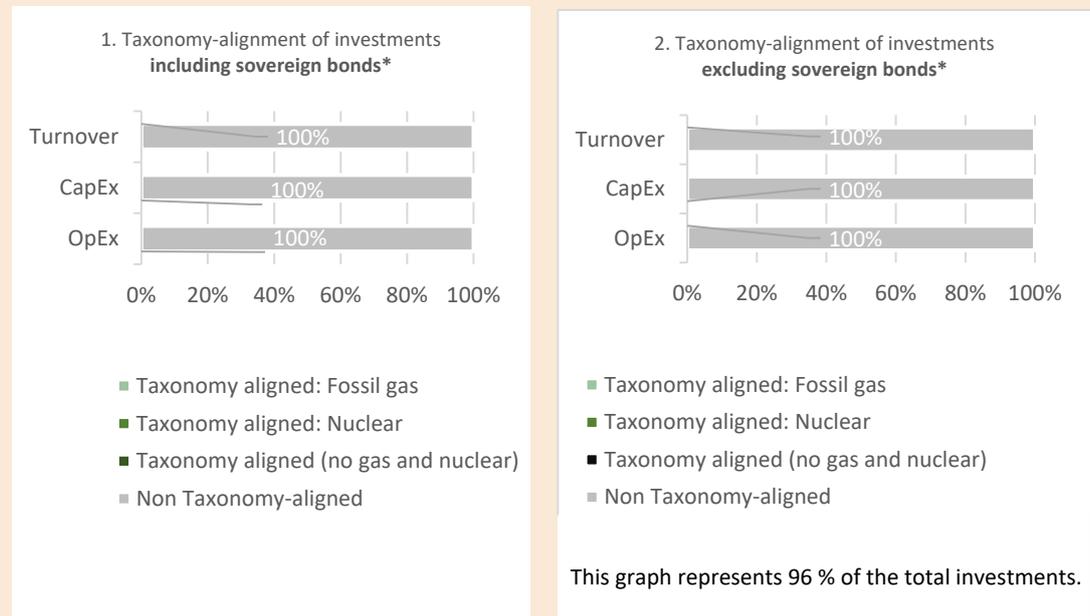
### ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy 1?

- Yes:
  - In fossil gas
  - In nuclear energy
- No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change (“climate change mitigation”) and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

# Sustainability disclosures (unaudited)

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

## ● What was the share of investments made in transitional and enabling activities?

0%.

## 🌍 What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

9.4%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and production), 13 (climate action), 14 (life below water) or 15 (life on land).

## 👤 What was the share of socially sustainable investments?

77.4%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (quality education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong institutions) or 17 (partnerships for the goals).

## 🌐 What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

## Sustainability disclosures (unaudited)

management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reporting period, the overall sustainability profile of the sub-fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 7 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues. In addition, 8.15% of the assets were invested in green bonds.

# Sustainability disclosures (unaudited)

## ANNEX IV

### Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

**Product name:** Robeco (LU) Funds III - Robeco Global Credits Feeder Fund - zero duration  
**Legal entity identifier:** 21380008LTOW32L6CQ15

## Environmental and/or social characteristics

### Did this financial product have a sustainable investment objective?

**Yes**

It made **sustainable investments with an environmental objective:**

\_\_\_%

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective:** \_\_\_%

**No**

It **promoted Environmental/Social (E/S) characteristics** and

while it did not have as its objective a sustainable investment, it had a proportion of 62.7% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, but **did not make any sustainable investments**

### To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund had no exposure to excluded securities, taking into account a grace period.
2. The sub-fund scrutinized investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies in the portfolio that have breached one of the international guidelines during the investment period, have become part of the Enhanced Engagement program. When engagement deemed highly unlikely to succeed, the company was excluded directly.
3. Investments with an elevated sustainability risk are defined by Robeco as companies with an ESG Risk Rating of 40 and higher. The sub-fund was limited to a maximum exposure of 3% to investments with an elevated sustainability risk, based on the market weight in the portfolio taking into account regional differences and benchmark. Each investment with an ESG Risk rating of higher than 40 requires separate approval by a dedicated committee of SI specialists, compliance and risk management that oversees the bottom-up sustainability analysis.
4. The sub-fund invested a minimum of 5% in green, social, sustainable, and/or sustainability-linked bonds.

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

**Sustainability indicators** measure how the environmental or social characteristics promoted by the financial product are attained.



# Sustainability disclosures (unaudited)

## ● **How did the sustainability indicators perform?**

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 30 December 2023.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. 0 companies in portfolio are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises and hence are a part of the Enhanced Engagement program.
3. 1.66% of the holdings in portfolio had an elevated sustainability risk profile.
4. The sub-fund invested 10.28% of its assets in green, social, sustainable and/or sustainability-linked bonds.

## ● **...and compared to previous periods?**

<b>Sustainability indicator</b>	<b>2023</b>	<b>2022</b>
Investments on exclusion list	0.00%	0.00%
Companies in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises	0	0
Holdings with an elevated sustainability risk profile	1.66%	0.84%
Investments in green, social, sustainable and/or sustainability-linked bonds	6.55%	10.28%

## ● **What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?**

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

# Sustainability disclosures (unaudited)

## ***How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?***

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 or -3 may even cause significant harm.

## ***How were the indicators for adverse impacts on sustainability factors taken into account?***

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were considered in the fund:

- PAI 1, table 1 was considered for scope 1, 2 and 3 Green House Gas emissions via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 2, table 1 was considered for scope 1 and 2 carbon footprint via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 3, table 1 was considered for scope 1 and 2 Green House Gas intensity of investee companies via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 4, table 1 regarding the exposure to companies in the fossil fuel sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal ( $\geq 20\%$  of the revenues), oil sands ( $\geq 10\%$  of the revenues) and arctic drilling ( $\geq 5\%$  of the revenues)).
- PAI 5, table 1 regarding the share of energy consumption from non-renewable sources was considered via engagement and exclusions. Robeco is committed to contribute to the goals of the Paris Agreement and to achieving net zero carbon emissions by 2050. The portfolio decarbonization targets are derived from the P2 pathway from the IPCC 1.5-degree scenario of 2018. The P2 pathway is composed of the following emission milestones: 49% reduction of GHG emissions in 2030 and -89% reduction of GHG emissions in 2050, both relative to 2010 baseline.
- PAI 6, table 1 regarding Energy consumption per High Impact Climate sector was considered via engagement and exclusions. Robeco's Exclusion policy covers the exclusion of activities with highly negative climate impacts (e.g. thermal coal (Coal power expansion plans  $\geq 300$  MW)).
- PAI 7, table 1 regarding activities negatively affecting biodiversity sensitive areas was considered via engagement. Robeco is developing methods to evaluate the materiality of biodiversity for our portfolios, and the impact of our portfolios on biodiversity. Based on such methods Robeco will set quantified targets in order to combat biodiversity loss, latest by 2024.
- For relevant sectors, biodiversity impact is considered in fundamental SI research analysis. Robeco is developing a framework to consider this across all investments.

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

## Sustainability disclosures (unaudited)

- PAI 8, table 1 regarding Water emissions was considered via engagement. Within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to water. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 9, table 1 regarding hazardous waste and radioactive waste ratio was considered via engagement. In addition, within Robeco's Controversial Behavior program, companies are screened on a potential violation in relation to waste. When Robeco deems a company to cause significant negative impact on local water supply or waste issues which is a breach of UN Global Compact principle 7, it will either apply enhanced engagement or directly exclude the company from the universe.
- PAI 10, table 1 regarding violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises was considered via engagement and exclusions. Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and is guided by these international standards to assess the behavior of companies. In order to mitigate severe breaches, an enhanced engagement process is applied where Robeco deems a severe breach of these principles and guidelines has occurred. If this enhanced engagement, which may last up to a period of three years, does not lead to the desired change, Robeco will exclude a company from its investment universe.
- PAI 14, table 1 regarding exposure to controversial weapons was considered via exclusions. For all strategies Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons: 1. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines. 2. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions. 3. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons. 4. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons. 5. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear Weapons States (USA, Russia, UK, France and China). 6. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a. 7. The Belgian Loi Mahoux, the ban on uranium weapons. 8. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.
- PAI 4, table 2 regarding investments in companies without carbon emission reduction initiatives was considered via engagement. Robeco engages with key high emitters in our investment portfolios via the engagement themes "Acceleration to Paris" and "Net Zero Carbon Emissions".

*Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:*

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

## Sustainability disclosures (unaudited)

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

*The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.*

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

*Any other sustainable investments must also not significantly harm any environmental or social objectives.*



### How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- Via the applied normative and activity-based exclusions, the following PAIs were considered:
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 4.81% of the net assets
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0.00% of the net assets
  - The share of investments in investee companies with sites/operations located in or near biodiversity sensitive areas where activities of those investee companies negatively affect those areas (PAI 7, Table 1) was 4.05% of the net assets
  - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons (PAI 14, Table 1) was 0.00% of the net assets
- Via the ESG integration process, as part of the investment due diligence policies and procedures, the following PAIs were considered:
  - The greenhouse gas emissions scope 1 and 2 (PAI 1, table 1) of the portfolio were 38,916 tons
  - The carbon footprint of the portfolio (PAI 2, table 1) was 484 tons per EUR million EVIC
  - The green house gas intensity of the portfolio (PAI 3, table 1) was 1,273 tons per EUR million revenue
  - Exposure to companies active in the fossil fuel sector (PAI 4, Table 1) was 4.81% of the net assets
  - The share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources (PAI 5, Table 1), expressed as a percentage of total energy sources was 61.16% of the net assets

## Sustainability disclosures (unaudited)

- The share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources (PAI 5, Table 1), expressed as a percentage of total energy sources for the mandate was 39.58% of the net assets
- The energy consumption per million EUR of revenue of investee companies, per high-impact climate sector (PAI 6, Table 1) was 0.92GWh
- The share of investments in investee companies without carbon emission reduction initiatives aimed at aligning with the Paris Agreement (PAI 4, Table 2) was 3.98% of the net assets
- The share of investments in investee companies with sites/operations located in or near biodiversity sensitive areas where activities of those investee companies negatively affect those areas (PAI 7, Table 1) was 4.05% of the net assets
- The emissions to water generated by investee companies per million EUR invested, expressed as a weighted average (PAI 8, Table 1) were 0.02 tons
- The generation of hazardous waste and radioactive waste generated by investee companies per million EUR invested, expressed as a weighted average were 33.08 tons

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via Robeco's entity engagement program, the following PAIs are considered:
  - Via the Robeco Entity Engagement program, the following numbers of engagement cases per PAI were active on portfolio holdings, during the reporting period: PAI 1, table 1: GHG emissions 10 cases. PAI 2, table 1: Carbon footprint 10 cases. PAI 3, table 1: GHG intensity of investee companies 10 cases. PAI 4, table 1: Exposure to companies active in the fossil fuel sector 10 cases. PAI 5, table 1: Share of non renewable energy consumption and production 10 cases. PAI 6, table 1: Energy consumption intensity per high impact climate sector 10 cases. PAI 8, table 1: Emissions to water 2 cases. PAI 9, table 1: Hazardous waste and radioactive waste ratio 2 cases. PAI 12, table 1: Unadjusted gender pay gap 3 cases. PAI 13, table 1: Board gender diversity 3 cases. PAI 7, table 1: Activities negatively affecting biodiversity sensitive areas 1 case.
  - Exposure to companies in violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1) was 0.00% of the net assets
  - In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of the Sub-fund that cause adverse impact might be selected for engagement.



### What were the top investments of this financial product?

Largest investments	Sector	% Assets	Country
United States Treasury Bill	Treasuries	2.80%	United States
Bank of America Corp	Banking	1.52%	United States
Deutsche Bank AG	Banking	1.41%	Germany
CaixaBank SA	Banking	1.37%	Spain
Morgan Stanley	Banking	1.31%	United States
JPMorgan Chase & Co	Banking	1.30%	United States
Nestle Holdings Inc	Consumer Non Cyclical	1.29%	United States
Societe Generale SA	Banking	1.21%	France
Banque Federative du Credit Mutuel SA	Banking	1.10%	France
Santander UK Group Holdings PLC	Banking	1.08%	United Kingdom
UBS Group AG	Banking	1.07%	Switzerland
Barclays PLC	Banking	1.07%	United Kingdom
BNP Paribas SA	Banking	0.97%	France
Electricite de France SA	Owned No Guarantee	0.94%	France
Warnermedia Holdings Inc	Communications	0.93%	United States

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period which is: 1 January 2022 through 31 December 2022

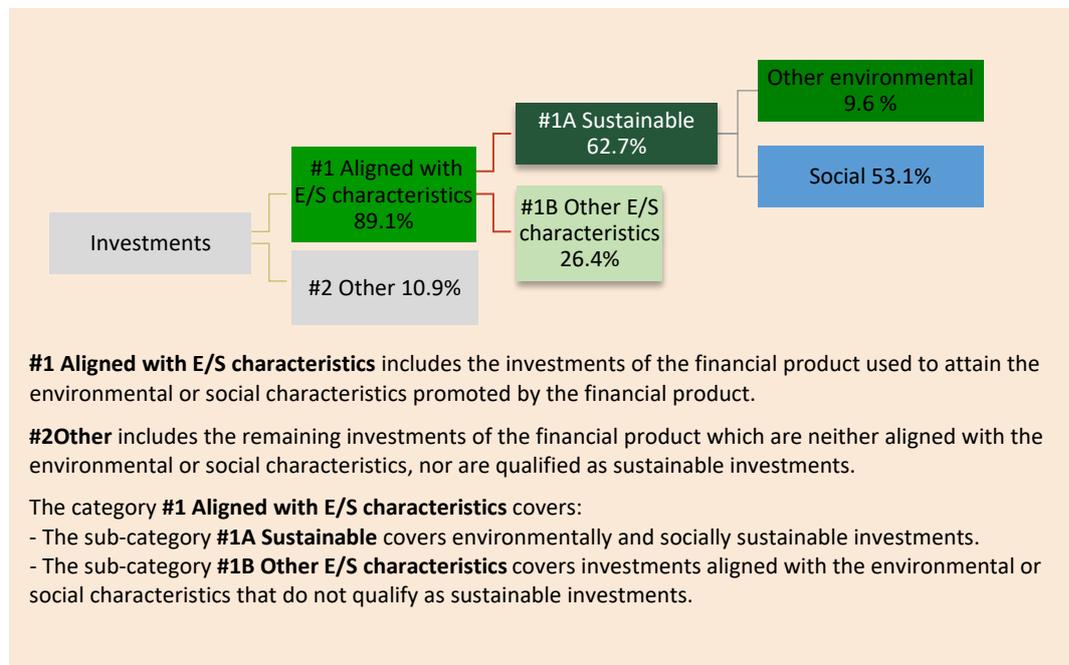
# Sustainability disclosures (unaudited)

## What was the proportion of sustainability-related investments?

89.1%

### ● What was the asset allocation?

**Asset allocation** describes the share of investments in specific assets.



# Sustainability disclosures (unaudited)

## ● In which economic sectors were the investments made?

GICS Sector Level 3	Average exposure in % over the reporting period
<b>Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -</b>	
Energy	3.03%
Natural Gas	0.17%
<b>Other sectors</b>	
Banking	32.49%
Consumer Non Cyclical	7.44%
Communications	6.46%
Basic Industry	5.77%
Insurance	4.51%
Technology	4.31%
Consumer Cyclical	3.67%
Electric	3.54%
Mortgage Assets	3.54%
Owned No Guarantee	3.36%
Treasuries	3.35%
Car Loan	2.22%
Capital Goods	2.13%
Supranational	0.82%
Residential Mortgage	0.72%
Transportation	0.63%
Financial Other	0.40%
ABS	0.24%
Utility Other	0.10%
Sovereign	0.08%
Local Authorities	0.08%
REITS	0.03%
Government Guarantee	0.02%
Government Sponsored	0.02%
Finance Companies	0.01%
Cash and other instruments	10.85%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective.

**Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.



## To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

0%.

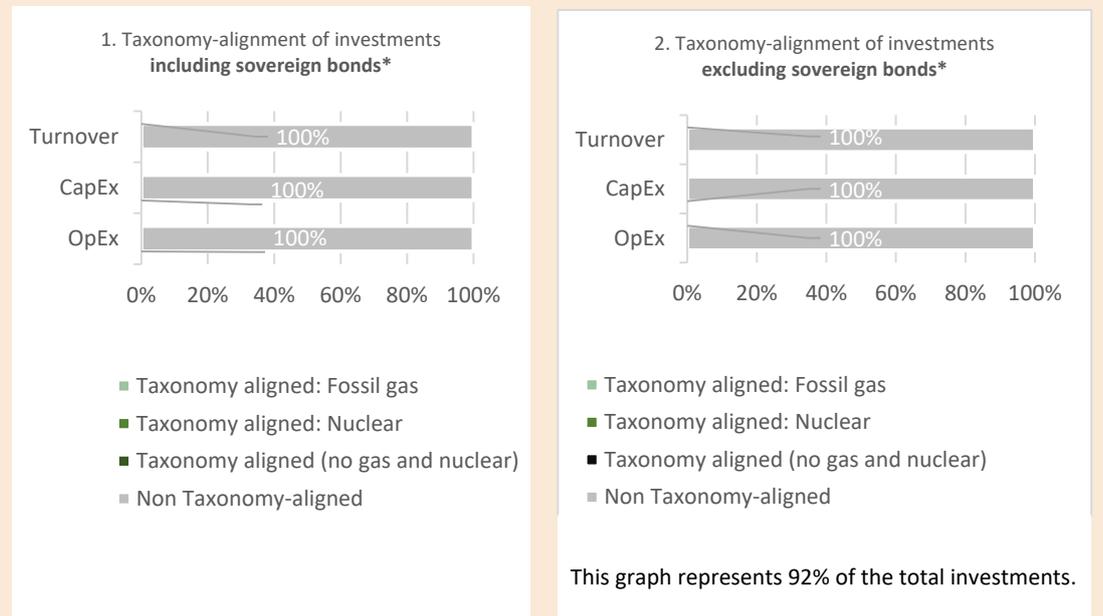
## ● Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy <sup>1</sup>?

Yes:  
 In fossil gas     In nuclear energy  
 No

<sup>1</sup> Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

# Sustainability disclosures (unaudited)

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\*For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure (CapEx)** showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure (OpEx)** reflecting green operational activities of investee companies.

● **What was the share of investments made in transitional and enabling activities?**

0%.

 **What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?**

9.6%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and production), 13 (climate action), 14 (life below water) or 15 (life on land).

 **What was the share of socially sustainable investments?**

53.1%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (quality education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong institutions) or 17 (partnerships for the goals).

 **What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?**

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio

 are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

## Sustainability disclosures (unaudited)

management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.



### **What actions have been taken to meet the environmental and/or social characteristics during the reference period?**

During the reporting period, the overall sustainability profile of the sub-fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, 28 holdings were under active engagement either within Robeco's thematic engagement programs or under more company-specific engagement topics related to Environmental, Social and/or Governance issues. In addition, 6.55% of the assets were invested in green bonds.