

ROBECO
The Investment Engineers

19

Robeco (NL) Umbrella Fund II

Fund for joint account

**Unaudited Semi-Annual Report
1 January to 30 June 2019**

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Robeco (NL) Umbrella Fund II

(fund for joint account within the meaning of the Dutch Corporation Tax Act of 1969 with the structure of an umbrella fund established at the premises of the manager in Rotterdam, the Netherlands)

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Report by the manager

General information

Legal and fiscal aspects

Robeco (NL) Umbrella Fund II (the “fund”) is a fund for joint account within the meaning of the Dutch Corporation Tax Act 1969. It is incorporated under Dutch law. The sub-funds are open-end in nature. The fund is an Undertaking for Collective Investment in Transferable Securities (UCITS), as referred to in Section 1:1 of the Dutch Financial Supervision Act (hereinafter: the “Wft”) and the Council Directive for Investment Institutions dated 23 July 2014 (Directive 2014/91/EU, 'UCITS V'). UCITS have to comply with certain restrictions to their investment policy in order to protect investors.

The fund is a tax-exempt investment institution pursuant to Section 6a of the Dutch Corporation Tax Act 1969. This means that, subject to certain conditions, the fund is exempt from the levy of corporation tax on its realized result. The sub-funds of the fund do not in principle pay dividend. If and to the extent that distribution of dividend occurs, the fund is exempt from the withholding of dividend tax on all its distributions.

Robeco Institutional Asset Management B.V. (“RIAM”) manages the fund. In this capacity, RIAM handles the asset management, risk management, administration, marketing and distribution of the fund. RIAM holds an AIFMD license as referred to in Section 2:65 Wft, as well as a license to manage UCITS as referred to in Section 2:69b Wft. 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 (the “AFM”).

The assets of the fund are held in custody by J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch. J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch is appointed as the custodian of the fund as referred to in Section 4:62n Wft. The custodian is responsible for supervising the fund insofar as required under and in accordance with the applicable legislation. The manager, the fund and J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch have concluded a custody agreement.

The fund is subject to statutory supervision by the AFM. The fund is entered in the register as stated in Section 1:107 Wft.

Robeco

When “Robeco” is mentioned it means RIAM as well as the activities of other companies that fall within the scope of Robeco’s management.

Outsourcing some of the operational activities to J.P. Morgan

Early 2018, Robeco announced that it would be outsourcing part of its operations and administration activities to J.P. Morgan. The decision to outsource is part of the Robeco’s strategic plan for the 2017-2021 period, which envisages further international growth in both investment and client servicing activities. In the course of 2018, J.P. Morgan became Robeco’s service provider for fund accounting, operations, custody, depositary and securities lending, in two phases. In April 2019, J.P. Morgan also became Robeco’s transfer agent for all funds.

Unit classes

The fund has the structure of an umbrella fund with several sub-funds. Each sub-fund may issue several types of participating units. The following sub-funds and participating units were open at balance sheet date:

Sub-fund a: Robeco Customized Euro Government Bonds Fund

- Participating units F: Robeco Customized Euro Government Bonds Fund - EUR F
- Participating units G: Robeco Customized Euro Government Bonds Fund - EUR G

Attribution to share classes

Each sub-fund is administered separately. The administration of each sub-fund is such that allocation of the results to the different share classes takes place on a daily basis and pro rata. Issues and repurchases of own shares are registered per share class. The differences between the various share classes are explained in notes 9, 11 and 14 to the financial statements.

Issuance and repurchase of participating units

The issuance and repurchasing of participating units is possible exclusively through the fund in accordance with the provisions of the terms and conditions of management and custody. The manager charges a fee on entry or extension or (partial) termination to cover the associated transaction costs to be deducted from the capital put in respect to the repurchase value. These fees will accrue to the fund. The fee established amounts to a maximum of 0.07% of the net asset value.

Conditions of management and custody and essential investor information

The fund's conditions of management and custody and key investor information can be obtained at the fund address.

Report by the manager (continued)

Key figures per share class

Overview 2018 - 2019

	2019 ²	2018 ³	Average
Robeco Customized Euro Government Bonds Fund			
Performance in % based on:			
- Net asset value EUR F shares	2.1	-1.3	0.6
- Net asset value EUR G shares ⁴	2.1	-1.3	0.6
Dividend on EUR-G shares	1.87	-	
Total net assets ¹	931	950	

¹ In millions of euros.

² Concerns the period from 1 January through 30 June 2019.

³ Concerns the period from 19 January 2018 through 31 December 2018.

⁴ Any dividends distributed in any year are assumed to have been reinvested in the fund.

General introduction

Economy

The US is now enjoying the longest post-WW2 economic expansion, recently surpassing the 1991-2001 expansion of the US economy that came to an end by the bursting of the IT bubble. US economic growth in the first quarter remained above trend at a 3.2% pace corrected for inflation. However, the expansion in the global economy at large is losing momentum, with a key institution as the IMF now downgrading global economic growth from 3.6% in 2018 to 3.3% for 2019. Continuing trade tensions between the US and China, credit tightening in China, disruptions in the auto sector in Germany and broad based political uncertainty contributed to a slowdown of the pace of economic activity in the first half of 2019.

A swift and all-encompassing resolution to the trade dispute between the current US administration and China has remained out of sight, though a truce has been struck between the parties involved at the latest G20 meeting in Osaka. Especially the global manufacturing sector struggles as trade tensions and increasing barriers to trade impact global supply chains. World trade activity has shifted into a lower gear as world trade volumes declined compared to the second half of 2018.

In response to weaker macro-economic data and lingering geopolitical tensions, central banks have made a U-turn in their policy stance and shifted their forward guidance to a dovish stance in order to safeguard the expansion. Financial markets are currently expecting the US central bank to cut interest rates by almost 1% over the next 12 months. We believe markets may have priced in too many rate cuts by the Fed as the US domestic economy itself remains fairly robust. However, a continued loss of momentum of global activity could trigger a synchronized policy rate easing effort by major central banks in the second half of 2019.

Bond markets outlook

Global government bond markets also managed to generate attractive returns in the first half of 2019 with 4.3% in euro (hedged). The flight to haven assets on the back of decelerating global growth momentum and inflation expectations dropping further below central banks inflation targets, all provoked a powerful rally in fixed income, with US 10 year Treasury yields dropping from 2.7% to just above 2% at the end of June. Parts of the US yield curve inverted, implying shorter dated maturities provide a higher yield compared to longer maturities, conveying market worries about recession risk. On average, a US recession has followed 18 months after the US yield curve inverted and partly explains the heightened vigilance and willingness of central banks to accommodate the real economy.

Risky fixed income also managed to benefit from financial easing conditions, with US High yield (unhedged, USD) generating 9.9% in the first half of the year, on par with US Investment grade (9.9%). Both asset classes also benefitted from spread compression. European risky fixed income markets were more hampered by the slowdown in European economic activity relative to the US and faced more modest returns with European High yield returning 7.7%. Looking ahead, high yield and investment grade could face headwinds in the second half as spread compression has been significant. Valuations now are less attractive while default rates have crept up recently. The latter development could hamper further spread compression, especially if earnings growth remains sluggish, corporate leverage increases further and interest rate coverage subsequently weakens.

Report by the manager (continued)

Investment policy of Sub-fund Robeco Customized Euro Government Bonds Fund

Investment objective

The Sub-fund's investment policy aims to obtain value growth in the long term.

Investment policy of sub-fund Robeco Customized Euro Government Bonds Fund

The sub-fund invests at least two-thirds of its total assets in bonds and similar fixed income securities denominated in euro, with a minimal rating of "BBB" or equivalent by at least one of the recognized rating agencies, and issued by EMU member countries. The targeted duration of the fund can vary over time and depends on the interest rate vision of the Manager.

Implementation of the investment policy

The sub-fund started the year marginally underweight duration. Risk assets started to show signs of recovering and trade talks between the US and China seemed to progress reasonably smoothly, positively impacting global growth expectations. However, bonds started rallying after an unexpected break-down of trade negotiations between the US and China fueled safe-haven demand. The underweight was reduced during May, avoiding further adverse performance impact of the position. Later we switched to an overweight duration position as disappointing Eurozone inflation increased the likelihood of a dovish June ECB meeting. After Draghi's Sintra speech mid-June, rate-cuts were priced in and we sold 2-year German Schatz, going back to neutral. We perceived the scope for 2-year German yields to decline even further to be limited. Country positions centered around overweight positions in long dated bonds from the semi-core countries. We added to France as the yellow vests protest showed signs of fatigue. In May, the sub-fund took profit on its underweight in Italian risk. The 10-year BTP-Bund spread widened to above 290bps its highest level this year. The 10-30yr BTP flattener position, which is also an expression of a cautious bias towards Italy, was closed as well. We believed that these spread levels should provide support for BTPs, also as there was no contagion to other peripheral markets. This indicated that the underlying demand for peripheral risk was constructive. Given the strong performance of Spain, we switched 5-year Spanish bonds into French bonds. Just ahead of the June ECB meeting, we sold 10-year OATs into 15-year OATs further adding to French risk. As Portuguese 10-year bond yields declined to an all-time low, we reduced exposure in Portuguese bonds and we switched 10-year Portugal (BBB) to 15-year France (AA) at the same yield. Directly after the June ECB meeting we switched all of the remaining PGBs into BTPs. We participated in the inaugural Netherlands 20-year green bond, the first green AAA rated sovereign. Robeco has received an official 'Green Investor' status from the Dutch State Treasury Agency. This entitled us to receive a higher allocation compared to non-Green investors. Moreover, we added to long dated Finland, partly outright and partly hedged with long dated Bunds.

The target duration was unchanged in the first half of 2019 at 2 year.

Currency policy

There is no active currency policy; all the fund's investments are denominated in euros.

Investment result

Robeco Customized Euro Government Bonds Fund showed a positive result of +2.34% (gross) in the first 6 months of 2019.

Its returns were boosted by expectations of further monetary easing by the ECB. 10-year German Bund yields rallied towards new lows and at the end of the quarter touched -0.33%, the lowest on record. Yield-spreads of semi-core and peripheral countries versus Bunds tightened across the board. The sub-fund benefited significantly from these developments. Excess return of the portfolio is positive. Especially relative country positions added to performance of the sub-fund. Positions in long dated Belgium and France attributed significantly as the semi-core curve flattened and spreads versus German Bunds tightened. Overweight positions in Ireland, Finland and Dutch DSLs also benefited the sub-fund. In May the underweight in Italian risk, expressed in duration terms and through a 10-30s BTP flattener, attributed as a string of negative news sent BTPs tail spinning. Later in the quarter an overweight in BTPs added significantly as BTPs rallied hard. The underweights in Spain and Portugal during the second quarter subtracted from returns but this was more than compensated by gains elsewhere. Duration and yield-curve positions were more mixed. The relative underweight duration position of the sub-fund subtracted, the unforeseen break-down of the US-China trade talks, supported bond markets. The Bund 10-30yr curve flattener added to performance. Supported by ultra-dovish ECB rhetoric, which revived rate cut and QE expectations, the 10-30s spread tightened.

Report by the manager (continued)

Remuneration policy

The fund itself does not employ any personnel and is managed by RIAM. In the Netherlands, persons performing duties for the fund at management-board level and portfolio managers are employed by Robeco Nederland B.V. The remuneration for these persons comes out of the management fee. RIAM's remuneration policy, that applies to all staff working under RIAM's responsibility, meets the applicable requirements of the European frameworks of the AIFMD, MiFID, the UCITS Directive, the ESMA guidelines for a responsible remuneration policy under the UCITS Directive, as well as the Dutch Remuneration Policy (Financial Enterprises) Act (Wet belongingsbeleid financiële ondernemingen). The remuneration policy has the following objectives:

- a) To stimulate employees to act in the best interests of clients and avoid taking undesirable risks.
- b) To promote a healthy corporate culture, with a strong focus on sustainable results in accordance with the long-term objectives of RIAM and its stakeholders.
- c) To attract and retain good staff and to reward talent and performance fairly.

Responsibility for the remuneration policy

The Supervisory board of RIAM supervises the correct application of the remuneration policy and is responsible for the annual evaluation. Changes in the remuneration policy have to be approved by the Supervisory board of RIAM. The Nomination & Remuneration Committee of the Supervisory Board of RIAM provides advice to the Supervisory board of RIAM in the execution of these tasks, with the involvement of the HR Department and the relevant internal control officers. In the application and evaluation of the remuneration policy, RIAM regularly makes use of the services of various external advisers. The remuneration of fund managers consists of a fixed component and a variable component.

Fixed remuneration

The fixed salary of each employee is based on his/her role and experience and is in accordance with the RIAM salary ranges, which have also been derived from benchmarks in the investment management sector. The fixed salary is therefore in line with the market and the employees are not dependent on whether or not they receive a variable remuneration.

Variable remuneration

In accordance with the applicable laws and regulations, the available budget/pool for variable remuneration is approved in advance by the Supervisory board of RIAM based on a proposal made by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. The total budget/pool is based, in principle, on a percentage of RIAM's operating result. In order to ensure that the total variable remuneration accurately reflects the performance of RIAM and the funds that it manages, when determining the budget/pool, a correction is made for risks that may occur in the year concerned and furthermore for multiple-year risks that may affect the risk profile of RIAM.

The variable remuneration component for the fund managers depends on the multi-year performance of the fund. The system is linked to outperformance with regard to risk-adjusted pre-determined annual targets. The calculated outperformance over a one-year, three-year and five-year period is taken into account when determining the variable remuneration.

Also important in this determination are behavior, the extent to which team- and individual qualitative and predetermined objectives have been achieved and the extent to which Robeco corporate values are observed. The fund manager's contribution to the various organizational objectives is also taken into consideration. Poor performance, unethical or non-compliant behavior lead to the allocation of a lower or even no variable remuneration at all. For the senior fund manager, the Identified Staff regime also applies (see below).

Identified Staff

RIAM has a specific and more stringent remuneration policy for employees who may have a material impact on the risk profile of the fund. These employees are designated to be 'Identified Staff'. For 2018, in addition to the Management Board, RIAM has designated 94 other employees as Identified Staff, including all senior portfolio managers, senior management and the heads of the control functions (HR, Compliance, Risk Management, Business Control, Internal Audit and Legal). Among other things the performance targets of these employees that are used to determine the award of variable pay are subject to additional risk analyses, both prior to the performance year and at the end when the results are evaluated. In addition, in all cases at least 70% of the payment of variable remuneration granted to these employees will be deferred for a period of four years, and 50% will be converted into hypothetical "Robeco" shares whose value will follow the company's future results.

Risk control

RIAM has implemented additional risk management measures with regard to the variable remuneration. For instance, RIAM has the possibility with regard to all employees to reclaim the granted variable remuneration ('claw-back') when this has been based on incorrect assumptions, fraudulent acts, serious improper behavior, serious neglect of duties or behavior that has resulted in a considerable loss for RIAM. After the granting but before the actual payment of the deferred variable remuneration components to Identified Staff, an additional assessment is performed to check whether new information would result in decreasing the previously granted remuneration components (the so-called 'malus arrangement'). The malus arrangement can be applied because of (i) misconduct or a serious error of judgement on the part of employees (ii) a considerable deterioration of RIAM's financial results that was not foreseen at the time the remuneration was granted (iii) a serious violation of the risk management system, leading to changed circumstances compared with the granting of the variable remuneration or (iv) evidence that a fraudulent act has been committed by the employee concerned or v) behavior that results in considerable losses.

Report by the manager (continued)

Remuneration policy (continued)

Annual assessment

RIAM's remuneration policy and the application thereof was evaluated in 2018 under the responsibility of the Supervisory board of RIAM, advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. As a result of Robeco's strategy 2017-2021, certain (non material) changes have been made to the remuneration policy to support a high performance culture.

Sustainable investing

Sustainable investing is one of the main pillars of Robeco's strategy and is firmly anchored in our investment convictions. We are convinced that including ESG¹ factors leads to better investment decisions. We are also convinced that exercising our voting rights and engaging in a dialogue with companies have a positive effect on the investment result and society in general. During H1 2019, we made every effort to further stimulate Sustainable investing at Robeco and beyond.

All Robeco's investment activities comply with the United Nations Principles for Responsible Investing (UNPRI). In 2019, Robeco was awarded an A+ for most of the modules that were assessed as part of the UN Principles for Responsible Investment (UN PRI) 2019 report. This was the sixth year in a row that Robeco obtained the highest score for the majority of the modules assessed by UNPRI. Responsibility for implementing Sustainable investing lies with the Head of Investments, who also has a seat on Robeco's Executive Committee.

¹ ESG is the abbreviation of 'Environmental, Social and Governance', which refers to factors relating to the environment, society and corporate governance.

Focus on stewardship

Fulfilling our responsibilities in the field of stewardship forms an integral part of Robeco's approach to Sustainable investing. A core aspect of Robeco's mission is fulfilling our fiduciary duties towards our clients and beneficiaries. Robeco manages investments for a variety of clients with different investment needs. We always strive in everything we do to serve our clients interests to the best of our ability.

In our view, the fact that more and more stewardship codes are being introduced around the globe is a positive development, and we are strong advocates of active ownership. For this reason we publish our own stewardship policy on our website. This policy describes how we deal with possible conflicts of interest, how we monitor the companies in which we invest, how we conduct activities in the field of engagement and voting, and how we report on our stewardship activities.

To mark our strong commitment to stewardship, we have become signatories to many different stewardship codes. In 2018 Eumedion, the Dutch governance platform for institutional investors, published a Dutch stewardship code. Robeco was a participant in the working group that wrote this code. In previous years we became signatories to the stewardship codes of the United Kingdom, Japan and Brazil. In addition, Robeco a.o. meets the Taiwanese Stewardship Principles for Institutional Investors, the US ISG stewardship principles, the Principles for Responsible Ownership in Hong Kong, Singapore Stewardship Principles and the Korean Stewardship Code.

Contributing to the Sustainable Development Goals

Robeco is a signatory in the Netherlands to the Sustainable Development Goals Investing Agenda. To help our customers contribute to the objectives, we worked on analyzing the SDG² contribution of companies and developing SDG investment solutions. Currently multiple solutions are available both in equity and fixed income.

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. The SDGs are continually considered during the engagement and voting activities. These therefore present the opportunity to emphasize the effect that engagement can have on society. Robeco's Active Ownership team would like new themes to always be directly linked to at least one of the goals. In 2019 we started engaging with companies for example on Palm Oil, directly linked to SDG 12 and 15, with a clear objective to improve RSPO certification and mitigate deforestation.

² Sustainable Development Goals.

ESG integration by Robeco

Sustainability can bring about changes in markets, countries and companies in the long term. And since changes affect future performance, ESG factors can in our view add value to our investment process. We therefore look at these factors in the same way as we consider a company's financial position or market momentum. We have research available from leading sustainability experts, including our sister company RobecoSAM. For its analysis, this company makes use of the comprehensive Corporate Sustainability Assessment (CSA), which takes into account general and sector-specific sustainability criteria. The investment analysis focuses on the most material ESG factors and the connection with the financial performance of a company. We can then focus on the most relevant information in performing our investment-analysis and can reach enhanced investment decisions. Besides integrating ESG, Active Ownership and exclusions into all of our investment processes, in 2019 we continued developing new sustainable investment funds with specific sustainable goals and criteria.

Report by the manager (continued)

Sustainable investing (continued)

Exclusion

Robeco pursues an exclusion policy for companies that are involved in the production of or trade in controversial weapons such as cluster munition and anti-personnel mines, for tobacco companies and for companies that seriously and habitually violate either the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. Exclusion is the last resort for this last category, which should only be applied after a failed dialogue with the company regarding improvement of its poor ESG practices. Robeco evaluates the practices of excluded companies at least once a year and can at any time decide to include a company in its investment universe again if that company can demonstrate that the desired improvements have been made and the violation of the Global Compact or OECD Guidelines no longer exists. Robeco publishes its exclusion policy and the list of exclusions on its website. In 2019 Robeco developed a palm oil policy. Robeco considers the production of palm oil a process with significant environmental and social risks, leading to breaches of the UN Global Compact when this product is not produced sustainably. Listed companies that have less than 20% of their plantations certified to sustainability standards are excluded from fund investments. Other palm oil producing companies are part of an engagement program where Robeco requires them to make progress towards full RSPO certification and addresses potential controversies and breaches of the UN Global compact.

Active ownership

Constructive and effective activities under active ownership encourage companies to improve their management of risks and opportunities in the field of ESG. This in turn establishes a better competitive position and improved profitability and moreover has a positive impact on the community. Active ownership involves voting and engagement. Robeco exercises its voting rights for the shares in its investment funds all over the world. In addition, Robeco enters into an active dialogue with the companies in which it invests on questions concerning the environment, society and corporate governance. In 2019, our activities towards achieving active ownership were again awarded the highest score (A+) under the Principles for Responsible Investment (PRI). Robeco has Active Ownership specialists in both Rotterdam and Hong Kong. In 2018 Robeco engaged with over 200 companies on different issues ranging from corporate governance to data privacy to climate change. The primary focus of this engagement is to address strategic ESG issues that might affect value creation in the long term.

Voting

In 1998, Robeco started voting for its investment funds and on behalf of its institutional clients. The votes are cast by specialized voting analysts in the Active Ownership team. We attend several shareholder meetings ourselves, but in most cases we cast our votes electronically. Our voting activities are published shortly after the shareholders' meetings on our website, in line with best practice regarding voting transparency.

Our extensive voting policy is based on 20 years of experience and insight, and we anticipate the specific policy requests of our mandates if necessary. We vote at all meetings where this is possible. In practice, we only refrain from voting in the event of share blocking. In such cases, we assess the importance of the meeting and the influence of our positions on the voting.

Our voting policy and our analysis are based on the internationally accepted principles of the International Corporate Governance Network (ICGN) and on local directives. These principles constitute an extensive framework for assessing the corporate governance practices of companies.

They also provide sufficient latitude for companies to be assessed on the basis of local standards, national legislation and codes of conduct for corporate governance. In our assessment we take into account company-specific circumstances.

Important decisions are taken in close consultation with the portfolio managers and the analysts in Robeco's investment teams and with our engagement specialists. The information we receive during shareholders' meetings is taken into account in our engagement activities and in the investment process followed by the Robeco funds.

Given the nature of the investments, exercising our voting right is not relevant for this fund.

Engagement

Since as early as 2005, we have encouraged management board members from the companies in which we invest to practice good corporate governance and to strive to achieve an environmentally and socially friendly policy. The aim of our engagement is to increase shareholder value in the long term and to achieve a positive impact on society. For Robeco, engagement and voting are important elements for achieving a successful integrated strategy for Sustainable investing that will lead to enhanced investment decisions and can improve the risk/return profile of our portfolios.

For our engagement activities we use a focused approach in which we enter into a constructive dialogue with a relevant selection of companies in which we invest. This dialogue deals with ESG factors such as quality of management, human rights and management of environmental risks. We differentiate between two types of engagement: the proactive Value Engagement approach and the Enhanced Engagement approach following a violation of the principles of the UN Global Compact and OECD Guidelines for Multinational Enterprises.

Report by the manager (continued)

Sustainable investing (continued)

Engagement (continued)

Our Value Engagement activities focus on a small number of sustainability themes with the greatest potential for value creation for the companies in which we invest. We select these themes on the basis of financial materiality by carrying out a baseline measurement and formulating engagement profiles for the companies we enter into a dialogue with. We select new engagement themes in close consultation with engagement specialists, portfolio managers and analysts, who work together closely throughout the dialogue. We give priority to companies in Robeco's portfolios with the greatest exposure to the selected engagement theme.

Our Enhanced Engagement program focuses on companies whose actions conflict seriously and systematically with the principles of the United Nations Global Compact (UNGC) in the field of human rights, labor, the environment and anti-corruption and OECD Guidelines for Multinational Enterprises. With this program we try to exert an influence on these companies to persuade them to act in accordance with the UNGC principles and OECD Guidelines. Our engagement normally lasts three years, during which time we hold regular meetings and conference calls with representatives from the company and monitor progress made on the engagement objectives.

If an Enhanced Engagement dialogue does not lead to the desired result, Robeco can exclude this company from Robeco's investment universe. The Enhanced Engagement process is a formal part of Robeco's exclusion policy.

Given the nature of the investments, engagement is not relevant for this fund.

Integration of ESG factors in investment processes

Sustainability is one of the most important building blocks in our country allocation model for government bonds. Other important building blocks are the economic cycle and the tenability of debts. A major benefit of sustainability analyses for countries is that it is possible to use them to indicate possible problems for a country at an early stage. Our Country Sustainability Ranking is a systematic framework that provides easily assessed and valuable input for our investment decisions.

ESG information forms an integral part of the investment process for the Robeco Institutional Core Euro Government Bonds Fund. An ESG profile is established for every country in the universe. These profiles are based on the Country Sustainability Ranking and the associated research, in which countries are ranked according to their ESG results. The ranking results are updated twice a year. The team discusses countries individually in order to establish the opportunities and threats that can issue from them. This information is taken into account in the assessment in addition to the traditional fiscal and monetary analysis of a country. ESG information is particularly valuable for decision-making in the field of country allocation.

Rotterdam, 30 August 2019
The Manager

Semi-annual figures

Balance sheet

		30/06/2019	31/12/2018
Before profit appropriation	Notes	EUR' 000	EUR' 000
ASSETS			
Investments			
Debt securities including fixed-income securities	1	880,191	904,818
Derivatives	2	710	2,683
Total investments		880,901	907,501
Accounts receivable			
Receivables on collateral provided	3	60,671	29,687
Other receivables, prepayments and accrued income	4	7,242	20,156
Total accounts receivable		67,913	49,843
Other assets			
Cash and cash equivalents	5	39,973	23,498
LIABILITIES			
Investments			
Derivatives	2	44,754	13,616
Accounts payable			
Payable to credit institutions	6	2	–
Other liabilities, accruals and deferred income	7	13,497	17,316
Total accounts payable		13,499	17,316
Accounts receivable and other assets less accounts payable		94,387	56,025
Assets less liabilities		930,534	949,910
Composition of fund assets			
	8, 9		
Participants capital	8	929,325	962,451
General reserve	8	(18,093)	–
Undistributed earnings	8	19,302	(12,541)
Fund assets		930,534	949,910

The numbers of the items in the financial statements refer to the numbers in the Notes.

Semi-annual figures (continued)

Profit and loss account

		01/01/2019- 30/06/2019	19/01/2018- 30/06/2018
	Notes	EUR' 000	EUR' 000
Investment income	10	8,305	9,360
Unrealized gains	1, 2	54,281	11,187
Unrealized losses	1, 2	(39,751)	(15,878)
Realized gains	1, 2	23,032	3,813
Realized losses	1, 2	(20,864)	(8,744)
Cancellation and placement fees		16	93
Total operating income		25,019	(169)
Costs			
Management fee	11	930	827
Service fee	11	558	496
Interest paid		4,181	2,607
Other costs	13	48	47
Total operating expenses		5,717	3,977
Net result		19,302	(4,146)

The numbers of the items in the financial statements refer to the numbers in the Notes.

Cash flow statement

		01/01/2019- 30/06/2019	19/01/2018- 30/06/2018
	Notes	EUR' 000	EUR' 000
Cash flow from investment activities		66,626	(907,516)
Cash flow from financing activities		(50,153)	930,079
Net cash flow		16,473	22,563
Increase (+)/decrease (-) cash*	5, 6	16,473	22,563

*The cash equivalents concern cash and cash equivalents minus payables to credit institutions.

The numbers of the items in the financial statements refer to the numbers in the Notes.

Notes

General

The semi-annual financial statements have been drawn up in conformity with Part 9, Book 2 of the Dutch Civil Code and the Wft. The fund's financial year is the same as the calendar year.

The participating units issued at balance sheet date divided over one sub-fund with two types of participating units. The opened participating units concern:

Robeco Customized Euro Government Bonds Fund

Robeco Customized Euro Government Bonds Fund - EUR F

Robeco Customized Euro Government Bonds Fund - EUR G

Accounting policies

General

The other principles for the valuation of assets, liabilities and determination of the result are unchanged and therefore are in accordance with the presentation in the most recent annual financial statements. Unless stated otherwise, items shown in the semi-annual report are carried at nominal value and expressed in thousands of euros.

Attribution to share classes

The administration of the fund is such that attribution of the results to the different share classes takes place on a daily basis and pro rata. Issues and repurchases of own shares are registered per share class.

Risks relating to financial instruments

Investment risk

The value of investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the fund depends on developments in the financial markets and can therefore either rise or fall. Participants run the risk that their investments may end up being worth less than the amount invested, or even worth nothing. The general investment risk can also be characterized as market risk.

Market risk

Market risk can be divided into three types: price risk, currency risk and concentration risk. Market risks are contained using limits on quantitative risk measures such as volatility or value-at-risk. This means that the underlying risk types (price risk, currency risk and concentration risk) are also indirectly contained.

Price risk

The net asset value of the fund is sensitive to market movements. In addition, investors should be aware of the possibility that the value of investments may vary as a result of changes in political, economic or market circumstances, as well as changes in an individual business situation. The entire portfolio is exposed to price risk. The degree of price risk that the fund runs depends among other things on the risk profile of the fund's portfolio.

Currency risk

All or part of the securities portfolio of the fund may be invested in currencies, or financial instruments denominated in currencies other than the euro. As a result, fluctuations in exchange rates may have both a negative and a positive effect on the investment result of the fund. Currency risks may be hedged with currency forward transactions and currency options. Currency risks can be limited by applying relative or absolute currency concentration limits.

The fund had no positions in foreign currencies at 30 June 2019.

Concentration risk

Based on its investment policy, the fund may invest in financial instruments from issuing institutions that (mainly) operate within the same sector or region, or in the same market. In the case of concentrated investment portfolios, events within the sectors, regions or markets in which they invest have a more pronounced effect on the fund assets than in less concentrated investment portfolios. Concentration risks can be limited by applying relative or absolute country or sector concentration limits.

The fund had positions in bond index futures and interest rate swaps at balance sheet date. The table below shows the exposure to interest rates through bonds, bond index futures and interest rate swaps per country or region in amounts and as a percentage of the fund's total assets.

Notes (continued)

Risks relating to financial instruments (continued)

Concentration risk (continued)

Concentration risk by country

				30/06/2019	30/06/2019	31/12/2018
	Debt securities EUR' 000	Exposure to interest-rate swaps EUR' 000	Exposure to stock index futures EUR' 000	Total exposure EUR' 000	% of net assets	% of net assets
Austria	30,086	—	—	30,086	3.23	1.44
Belgium	49,541	—	—	49,541	5.34	9.75
Euro	—	(862,500)	—	(862,500)	(92.69)	(97.59)
Finland	26,067	—	—	26,067	2.80	1.18
France	206,463	—	—	206,463	22.18	4.66
Germany	163,805	—	(2,460) ¹	161,345	17.34	37.43
Ireland	19,012	—	—	19,012	2.04	2.30
Italy	211,702	—	—	211,702	22.75	23.71
Netherlands	79,272	—	—	79,272	8.52	2.61
Portugal	—	—	—	—	—	0.43
Slovakia	2,051	—	—	2,051	0.22	—
Slovenia	7,304	—	—	7,304	0.79	—
Spain	84,888	—	—	84,888	9.12	11.56
Total	880,191	(862,500)	(2,460)	15,231	1.64	(2.52)

¹ Index futures that cover multiple countries are listed under the country where the futures are traded.

All outstanding futures have a remaining term of less than three months.

Counterparty risk

Counterparty risk is an unintentional form of risk that is a consequence of the investment policy. It occurs when a counterparty of the fund fails to fulfill its financial obligations arising from financial transactions with the fund. Counterparty risk is limited as far as possible by exercising an appropriate degree of caution in the selection of counterparties. In selecting counterparties, the assessments of independent rating bureaus are taken into account, as are other relevant indicators. Wherever it is customary in the market, the fund will demand and obtain collateral in order to mitigate counterparty risk. The figure that best represents the maximum credit risk is given in the table below.

	30/06/2019	% of	31/12/2018	% of
	EUR' 000	net assets	EUR' 000	net assets
Bonds	880,191	94.59	904,818	95.25
Unrealized gain on derivatives	710	0.08	2,683	0.28
Accounts receivable	67,913	7.29	49,843	5.25
Cash and cash equivalents	39,973	4.30	23,498	2.48
Total	988,787	106.26	980,842	103.26

No account is taken of collateral received in the calculation of the total credit risk. Counterparty risk is contained by applying limits on the exposure per counterparty as a percentage of the fund assets.

The table below contains the counterparties with an exposure of more than 5% of the fund assets.

Counterparty name	Total exposure EUR' 000	% of net assets	Rating
Belgian government	49,541	5.34	AA
France government	206,463	22.18	AA
German government	163,805	17.60	AAA
Italian government	211,702	22.75	BBB
Netherlands government	79,272	8.52	AAA
Spain government	84,888	9.12	A-

Notes (continued)

Risks relating to financial instruments (continued)

Liquidity risk

Liquidity risk is an unintentional form of risk that is a consequence of the investment policy. Liquidity risk occurs when financial instruments cannot be sold in a timely fashion unless additional costs are incurred. Liquidity risk can be divided into two categories: exit risk and the liquidity risk of financial instruments.

Exit risk

Exit risks occur when the fund's value is negatively affected by the exit of one or more clients, with negative consequences for existing clients. The extent to which the value of the fund can be negatively affected depends on the liquidity of the financial instruments in the portfolio, and on the concentration of clients. An exit charge is made to cover the exit costs in order to prevent exits having a negative effect on the fund.

Liquidity risk of financial instruments

The actual buying and selling prices of financial instruments in which the fund invests partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the fund cannot be quickly liquidated at a reasonable price due to a lack of liquidity in the market in terms of supply and demand.

To limit this risk, the fund invests almost entirely in financial instruments that can be traded daily, so the liquidity risk of financial instruments occurring under normal circumstances does not occur. Moreover, liquidity risks of financial instruments are contained using limits on the non-liquid portion of the securities portfolio.

Interest rate risk

Interest rate fluctuations can affect the value of the fixed-income investments. Interest rate risk can be covered by means of interest rate swaps and futures. The table below presents an overview of the portfolio of Robeco Customized Euro Government Bonds Fund (including the exposure to derivatives) ranked by remaining term to maturity.

Remaining time to maturity in years

	30/06/2019 % of net assets	31/12/2018 % of net assets
0 to 1 year	72.73	182.28
1 to 5 years	(18.69)	(117.99)
5 to 10 years	11.88	21.82
10 to 15 years	16.52	8.26
15 to 20 years	2.31	(4.23)
More than 20 years	15.25	9.86
Total	100.00	100.00

The average modified duration¹ at 30 June 2019 was 2.18 years.

¹ The concept 'modified duration' is a means of measuring interest rate sensitivity, and thereby a portfolio's interest rate risk. It reflects by approximation the percentage value change in a portfolio that takes place as a result of the rise or fall of the interest rate by one percentage point.

Credit risk

The issuer of a bond or other fixed-income financial instrument can fail to meet their financial obligations. Depending on the investment policy, the fund can invest in instruments that are exposed to this so-called credit risk. Credit risk can be kept down by applying relative or absolute (credit) rating limits.

The table below lists the credit ratings for the bond investments for Robeco Customized Euro Government Bonds Fund.

Credit rating *

	30/06/2019 % of the debt securities	31/12/2018 % of the debt securities
Investment grade	100.00	95.74
Not Rated	—	4.26
Total	100.00	100.00

* Credit rating designations BBB or above are considered investment grade.

Notes (continued)

Risks relating to financial instruments (continued)

Risk of lending financial instruments

In the case of securities-lending transactions, collateral is requested and obtained for those financial instruments that are lent. In the case of securities-lending transactions, the fund incurs a specific type of counterparty risk that the borrower cannot comply with the obligation to return the financial instruments on the agreed date or to furnish the requested collateral. The lending policy of the fund is designed to control these risks as much as possible. To mitigate specific counterparty risk, the fund receives collateral prior to lending the financial instruments.

The creditworthiness of counterparties in securities-lending transactions is assessed on the basis of how independent rating agencies regard their short-term creditworthiness and on the basis of their net assets. Guarantees given by parent companies are also taken into account.

The fund accepts collateral in the form of:

- government bonds with a minimum investment grade¹ credit rating;
- bonds of supranational bodies with a minimum investment grade¹ credit rating;
- stocks listed on the main indexes of stock markets in OECD countries;
- stocks listed on the main indexes of stock markets in non-OECD countries;
- cash.

¹ Credit rating designations BBB or above are considered investment grade.

In addition, concentration limits are applied to collateral to restrict concentration risks in the collateral and there are also liquidity criteria for containing the liquidity risks in the collateral. Finally, depending on the type of lending transaction and the type of collateral, collateral with a premium is requested relative to the value of the lending transaction. This limits the negative effects of price risks in the collateral.

The table below gives an overview of the positions lent out as a percentage of the portfolio (total of the instruments lent out) and relative to the fund's assets.

Positions lent out

Type of instrument	30/06/2019			31/12/2018		
	Amount in EUR' 000	% of portfolio	% of net assets	Amount in EUR' 000	% of portfolio	% of net assets
Shares lent out	123,236	14.00	13.24	173,405	19.16	18.25
Total	123,236	14.00	13.24	173,405	19.16	18.25

The following table gives an overview of the positions lent out and the collateral received per counterparty.

All outstanding lending transactions are transactions with an open-ended term. That means that there is no prior agreement as to how long the securities are lent out and when they may be reclaimed by the fund if required.

Counterparties

		Manner of settlement and clearing	30/06/2019		31/12/2018	
			Positions lent out EUR' 000	Collateral received EUR' 000	Positions lent out EUR' 000	Collateral received EUR' 000
BNP Paribas	France	Tripartite ¹	23,261	23,726	53,727	54,791
Citibank	United States	Tripartite ¹	45,083	46,032	63,337	65,253
Credit Suisse	Switzerland	Tripartite ¹	8,529	8,874	–	–
Deutsche Bank	Germany	Tripartite ¹	1,235	1,267	–	–
J.P. Morgan	United States	Tripartite ¹	15,956	16,912	56,341	58,679
Merrill Lynch	United States	Tripartite ¹	29,172	30,572	–	–
Total			123,236	127,383	173,405	178,723

¹ Tripartite means that the collateral is in the custody of an independent third party.

Notes (continued)

Risks relating to financial instruments (continued)

Risk of lending financial instruments (continued)

The collateral for the lent units is not included in the balance. The table below contains a breakdown of collateral received according to type. All securities received have an open-ended term.

Collateral by type

			30/06/2019	31/12/2018
	Currency	Rating of government bonds	Market value in EUR' 000	Market value in EUR' 000
Government bonds	EUR	Investment grade	127,383	178,723
Total			127,383	178,723

J.P. Morgan has been appointed custodian of all collateral received. The securities are managed by RIAM and are held on separate accounts per counterparty. In line with the provisions in the prospectus, the collateral received has not been reinvested.

J.P. Morgan is the intermediary for all of the fund's securities-lending transactions. As compensation for its services, J.P. Morgan receives a fee of (A) 25% of the gross income on these securities-lending transactions for loans which generates a return of 0.5% or less and (B) 10% of the gross income from these securities-lending transactions for any loans which generate a return greater than 0.5%. An external agency periodically assesses whether the agreements between the fund and J.P. Morgan are still in line with the market. The fund's revenues and J.P. Morgan's fee are included in the following table.

Income from securities lending

	01/01/2019-30/06/2019			01/01/2018-30/06/2018		
	Gross revenues in EUR' 000	Fee paid to J.P. Morgan in EUR' 000	Net fund revenues in EUR' 000	Gross revenues in EUR' 000	Fee paid to RIAM in EUR' 000	Net fund revenues in EUR' 000
Shares lent out	72	18	54	–	–	–
Total	72	18	54	–	–	–

Manager

Robeco Institutional Asset Management B.V. ("RIAM") is the fund manager. In this capacity, RIAM handles the asset management, administration, marketing and distribution of the fund. 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), which includes managing individual assets and giving advice on financial instruments. RIAM is subject to supervision by the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, "AFM"). RIAM has listed the fund with AFM. RIAM is a 100% subsidiary of ORIX Corporation Europe N.V. via Robeco Holding B.V. ORIX Corporation Europe N.V. is a part of ORIX Corporation.

Custodian

The assets of the fund are held in custody by J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch. J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch is appointed as the custodian of the fund as referred to in Section 4:62n Wft. The custodian is responsible for supervising the fund insofar as required under and in accordance with the applicable legislation. The manager, the fund and J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch have concluded a custody agreement.

Liability of the custodian

The custodian is liable to the fund and/or the participants for the loss of a financial instrument under the custody of the custodian or of a third party to which custody has been transferred. The custodian is not liable if it can demonstrate that the loss is a result of an external event over which it in all reasonableness had no control and of which the consequences were unavoidable, despite all efforts to ameliorate them. The custodian is also liable to the fund and/or the participants for all other losses they suffer because the custodian has not fulfilled its obligations as stated in this custodial agreement either deliberately or through negligence. Participants may make an indirect claim upon the liability of the custodian through the manager. If the manager refuses to entertain such a request, the participants are authorized to submit the claim for losses directly to the custodian.

Affiliated parties

The fund and the manager may utilize the services of and carry out transactions with parties affiliated to the fund, as defined in the BGfo, such as RIAM, Robeco Nederland B.V and ORIX Corporation. The services entail the execution of tasks that have been outsourced to these parties such as (1) securities lending, (2) hiring temporary staff and (3) issuance and repurchase of the fund's participating units. Transactions that can be carried out with affiliated parties include the following: treasury management, derivatives transactions, lending of financial instruments, credit extension, purchase and sale of financial instruments on regulated markets or through multilateral trading facilities. All these services and transactions are executed at market rates.

Notes to the balance sheet

1. Debt securities including fixed-income securities

A breakdown of this portfolio is given under Schedule of Investments. A sub-division into countries, remaining time to maturity and credit rating is included under the note on risks relating to financial instruments.

Transaction costs

Brokerage costs and exchange fees relating to investment transactions are discounted in the cost price or the sales value of the investment transactions. These costs and fees are charged to the result ensuing from changes in value. The quantifiable transaction costs are shown below.

	01/01/2019- 30/06/2019 EUR' 000	19/01/2018- 30/06/2018 EUR' 000
Futures	18	8

The transaction costs for bonds and other fixed-income securities are not charged separately.

2. Derivatives

The presentation of derivatives on the balance sheet is based on the liabilities and receivables per contract.

The allocation for Robeco Customized Euro Government Bonds Fund is as follows:

Presentation of derivatives in the balance sheet

	Assets		Liabilities		Total	
	30/06/2019 EUR' 000	31/12/2018 EUR' 000	30/06/2019 EUR' 000	31/12/2018 EUR' 000	30/06/2019 EUR' 000	31/12/2018 EUR' 000
Financial Futures Contract	354	25	2,814	1,575	(2,460)	(1,550)
Interest Rate Swap Contracts	356	2,658	41,940	12,041	(41,584)	(9,383)
Book value (fair value) at closing date	710	2,683	44,754	13,616	(44,044)	(10,933)

The breakdown according to region for futures is given under the information on concentration risk under the information on risks relating to financial instruments.

3. Receivables on collateral provided

This relates to the following collateral provided to third parties in the form of cash to cover positions in derivatives.

4. Other receivables, prepayments and accrued income

These are receivables from declared, not yet received dividends, recoverable tax deducted at source and receivables arising from the issue of own shares and suspense items.

5. Cash and cash equivalents

This concerns directly callable credit balances at banks and any money on call.

6. Payable to credit institutions

This relates to temporary debit balances on bank accounts caused by investment transactions.

7. Other liabilities, accruals and deferred income

This concerns costs due, payables due to repurchase of own shares, suspense items and management and service fees due.

Notes to the balance sheet (continued)

8. Fund assets

	01/01/2019- 30/06/2019 EUR' 000	19/01/2018- 30/06/2018 EUR' 000
Development of fund assets		
Participants capital Robeco Customized Euro Government Bonds Fund - EUR F		
Situation on opening date	659,983	–
Received on participating units issued	59,611	665,262
Paid for participating units repurchased	(71,482)	(60,466)
Situation on closing date	648,112	604,796
Participants capital Robeco Customized Euro Government Bonds Fund - EUR G		
Situation on opening date	302,468	–
Received on participating units issued	17,229	370,258
Paid for participating units repurchased	(38,484)	(45,715)
Situation on closing date	281,213	324,543
General reserve		
Situation on opening date	–	–
Addition of result in previous financial year	(18,093)	–
Situation on closing date	(18,093)	–
Undistributed earnings		
Situation on opening date	(12,541)	–
Net result	19,302	(4,146)
Distributed to holders of participating units	(5,552)	–
Addition to the general reserve	18,093	–
Situation on closing date	19,302	(4,146)
Situation on closing date	930,534	925,193

9. Fund assets, participating units outstanding and net asset value per participating unit

	30/06/2019	30/06/2018
Robeco Customized Euro Government Bonds Fund - EUR F		
Assets in EUR' 000	653,455	602,051
Number of participating units outstanding	6,352,046	5,923,539
Net asset value per participating unit in EUR	102.87	101.64
Robeco Customized Euro Government Bonds Fund - EUR G		
Assets in EUR' 000	277,079	323,142
Number of participating units outstanding	2,962,580	3,427,507
Net asset value per participating unit in EUR	93.53	94.28

Notes to the profit and loss account

Income

10. Investment income

This concern the balance of interest received and paid on bank assets and interest received and payable on bonds and interest rate swaps.

Costs

11. Management fee and service fee

The management fee and service fee are charged by the manager. The fees are calculated daily on the basis of the fund assets.

Management fee and service fee specified in the prospectus

	Robeco Customized Euro Government Bonds Fund - EUR	Robeco Customized Euro Government Bonds Fund - EUR
	F	G
	%	%
Management fee	0.20	0.20
Service fee	0.12	0.12

The management fee cover all current costs resulting from the management and marketing of the fund. If the manager outsources operations to third parties, any costs associated with this will also be paid from the management fee. The management fee for the Robeco Customized Euro Government Bonds Fund share class also include the costs related to registering participants in this share class.

The service fee paid to RIAM covers the administration costs, the costs of the external auditor, other external advisers, regulators, costs relating to reports required by law, such as the annual and semi-annual reports, and the costs relating to the meetings of shareholders. Costs for the external auditor are not included in the fund's results.

12. Performance fee

The sub-funds is not subject to a performance fee.

13. Other costs

This concerns:

	01/01/2019- 30/06/2019 EUR' 000	19/01/2018- 30/06/2018 EUR' 000
Custody fee	28	16
Depository fee	20	16
Auditing costs	—	15
Total	48	47

14. Ongoing charges

This concern:

	Robeco Customized Euro Government Bonds Fund - EUR F			Robeco Customized Euro Government Bonds Fund - EUR G		
	01/07/2018- 30/06/2019 %	19/01/2018- 30/06/2018 %	Annualised %	01/07/2018- 30/06/2019 %	19/01/2018- 30/06/2018 %	Annualised %
Management fee	0.20	0.09	0.20	0.20	0.09	0.20
Service fee	0.12	0.05	0.12	0.12	0.05	0.12
Other costs	0.01	0.01	0.02	0.01	0.01	0.02
Proportion of income on securities lending payable	0.00	0.00	0.00	0.00	0.00	0.00
Total	0.33	0.15	0.34	0.33	0.15	0.34

Notes to the profit and loss account (continued)

Costs (continued)

14. Ongoing charges (continued)

The percentage of ongoing charges is based on the average net assets per share class. The average assets are calculated on a daily basis. The ongoing charges include all costs charged to the share classes in the reporting period, excluding the costs of transactions in financial instruments and interest charges. The ongoing charges do not include any payment of entry or exit costs charged by distributors.

The proportion of securities-lending income payable as defined in the Information on the Risks of lending Financial Instruments on page 16 is included separately in the ongoing charges.

15. Turnover rate

The portfolio turnover rate over the reporting period was 230% over the period 1 July 2018 through 30 June 2019 (over the period 19 January 2018 through 30 June 2018: 153%). This rate shows the rate at which the fund's portfolio is turned over and is a measure of the incurred transaction costs resulting from the portfolio policy pursued and the ensuing investment transactions. The turnover rate is determined by expressing the amount of the turnover as a percentage of the average fund assets. The average fund assets are calculated on a daily basis. The amount of the turnover is determined by the sum of the purchases and sales of investments less the sum of issuance and repurchase of own participating units. The sum of issues and repurchases of own participating units is determined as the balance of all issues and repurchases in the fund.

Cash and money-market investments with an original life to maturity of less than one month are not taken into account in the calculation.

16. Transactions with affiliated parties

In the reporting period, no transactions with affiliated parties were carried out.

During the reporting period, the fund paid RIAM the following amounts in management fee and service fee:

		01/01/2019- 30/06/2019 EUR' 000	19/01/2018- 30/06/2018 EUR' 000
	Counterparty		
Management fee	RIAM	930	827
Service fee	RIAM	558	496

17. Fiscal status

The fund has the status of a tax-exempt investment institution. A detailed description of its fiscal status is included in the general information of the management report on page 4.

Schedule of Investments

As at 30 June 2019

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Bonds				
<i>Austria</i>				
Austria Government Bond, Reg. S, 144A 0% 15/07/2023	EUR	6,300,000	6,447	0.69
Austria Government Bond, Reg. S, 144A 0.5% 20/04/2027	EUR	500,000	529	0.06
Austria Government Bond, Reg. S, 144A 0.75% 20/02/2028	EUR	4,700,000	5,073	0.55
Austria Government Bond, Reg. S, 144A 0.5% 20/02/2029	EUR	1,900,000	2,002	0.21
Austria Government Bond, Reg. S, 144A 2.4% 23/05/2034	EUR	1,650,000	2,155	0.23
Austria Government Bond, Reg. S, 144A 4.15% 15/03/2037	EUR	4,990,000	8,201	0.88
Austria Government Bond, Reg. S, 144A 1.5% 20/02/2047	EUR	3,090,000	3,733	0.40
Austria Government Bond, Reg. S, 144A 3.8% 26/01/2062	EUR	940,000	1,946	0.21
			<u>30,086</u>	<u>3.23</u>
<i>Belgium</i>				
Belgium Government Bond, Reg. S, 144A 0.8% 22/06/2025	EUR	8,680,000	9,271	1.00
Belgium Government Bond, Reg. S, 144A 5% 28/03/2035	EUR	6,650,000	11,228	1.21
Belgium Government Bond, Reg. S, 144A 1.9% 22/06/2038	EUR	3,950,000	4,826	0.52
Belgium Government Bond, Reg. S, 144A 4.25% 28/03/2041	EUR	7,260,000	12,365	1.33
Belgium Government Bond, Reg. S, 144A 1.7% 22/06/2050	EUR	5,373,000	6,326	0.68
Belgium Government Bond, Reg. S, 144A 2.25% 22/06/2057	EUR	3,350,000	4,437	0.48
Belgium Government Bond, Reg. S, 144A 2.15% 22/06/2066	EUR	830,000	1,088	0.12
			<u>49,541</u>	<u>5.34</u>
<i>Finland</i>				
Finland Government Bond, Reg. S, 144A 0.875% 15/09/2025	EUR	4,150,000	4,480	0.48
Finland Government Bond, Reg. S, 144A 0.5% 15/04/2026	EUR	5,730,000	6,057	0.65
Finland Government Bond, Reg. S, 144A 0.5% 15/09/2027	EUR	5,350,000	5,659	0.61
Finland Government Bond, Reg. S, 144A 2.625% 04/07/2042	EUR	1,450,000	2,153	0.23
Finland Government Bond, Reg. S, 144A 1.375% 15/04/2047	EUR	6,349,000	7,718	0.83
			<u>26,067</u>	<u>2.80</u>
<i>France</i>				
France Government Bond OAT, Reg. S, 144A 1.75% 25/06/2039	EUR	25,365,000	30,910	3.32
France Government Bond OAT, Reg. S, 144A 2% 25/05/2048	EUR	17,100,000	22,021	2.37
France Government Bond OAT, Reg. S, 144A 1.75% 25/05/2066	EUR	3,607,000	4,437	0.48
France Government Bond OAT, Reg. S 1.75% 25/11/2024	EUR	35,644,000	39,963	4.29
France Government Bond OAT, Reg. S 1% 25/05/2027	EUR	6,652,000	7,294	0.78
France Government Bond OAT, Reg. S 0.5% 25/05/2029	EUR	20,032,000	21,035	2.26
France Government Bond OAT, Reg. S 1.5% 25/05/2031	EUR	9,940,000	11,516	1.24
France Government Bond OAT, Reg. S 5.75% 25/10/2032	EUR	5,130,000	8,882	0.95
France Government Bond OAT, Reg. S 1.25% 25/05/2034	EUR	45,650,000	51,531	5.54
France Government Bond OAT, Reg. S 3.25% 25/05/2045	EUR	963,000	1,524	0.16
France Government Bond OAT, Reg. S 4% 25/04/2055	EUR	1,180,000	2,253	0.24
France Government Bond OAT, Reg. S 4% 25/04/2060	EUR	2,570,000	5,097	0.55
			<u>206,463</u>	<u>22.18</u>

Schedule of Investments (continued)

As at 30 June 2019

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
<i>Germany</i>				
Bundesobligation, Reg. S 0% 17/04/2020	EUR	9,260,000	9,311	1.00
Bundesrepublik Deutschland, Reg. S 1% 15/08/2024	EUR	9,822,000	10,671	1.15
Bundesrepublik Deutschland, Reg. S 0.5% 15/02/2025	EUR	30,350,000	32,318	3.47
Bundesrepublik Deutschland, Reg. S 0.5% 15/02/2026	EUR	5,332,000	5,718	0.61
Bundesrepublik Deutschland, Reg. S 0.25% 15/02/2027	EUR	35,150,000	37,200	4.00
Bundesrepublik Deutschland, Reg. S 6.25% 04/01/2030	EUR	6,252,000	10,675	1.15
Bundesrepublik Deutschland, Reg. S 5.5% 04/01/2031	EUR	16,600,000	27,863	2.99
Bundesrepublik Deutschland, Reg. S 3.25% 04/07/2042	EUR	2,758,823	4,709	0.51
Bundesrepublik Deutschland, Reg. S 1.25% 15/08/2048	EUR	19,866,000	25,340	2.72
			<u>163,805</u>	<u>17.60</u>
<i>Ireland</i>				
Ireland Government Bond, Reg. S 1% 15/05/2026	EUR	2,300,000	2,485	0.27
Ireland Government Bond, Reg. S 0.9% 15/05/2028	EUR	2,500,000	2,692	0.29
Ireland Government Bond, Reg. S 1.1% 15/05/2029	EUR	4,489,000	4,897	0.52
Ireland Government Bond, Reg. S 1.35% 18/03/2031	EUR	3,250,000	3,619	0.39
Ireland Government Bond, Reg. S 1.7% 15/05/2037	EUR	1,700,000	1,970	0.21
Ireland Government Bond, Reg. S 1.5% 15/05/2050	EUR	3,038,000	3,349	0.36
			<u>19,012</u>	<u>2.04</u>
<i>Italy</i>				
Italy Buoni Poliennali Del Tesoro 3.75% 01/03/2021	EUR	10,950,000	11,605	1.25
Italy Buoni Poliennali Del Tesoro 5% 01/03/2022	EUR	7,550,000	8,417	0.90
Italy Buoni Poliennali Del Tesoro 5.5% 01/09/2022	EUR	2,210,000	2,531	0.27
Italy Buoni Poliennali Del Tesoro 1.45% 15/09/2022	EUR	6,370,000	6,497	0.70
Italy Buoni Poliennali Del Tesoro 0.95% 01/03/2023	EUR	8,400,000	8,396	0.90
Italy Buoni Poliennali Del Tesoro 0.65% 15/10/2023	EUR	3,100,000	3,050	0.33
Italy Buoni Poliennali Del Tesoro 4.5% 01/03/2024	EUR	8,760,000	10,045	1.08
Italy Buoni Poliennali Del Tesoro 1.85% 15/05/2024	EUR	7,500,000	7,712	0.83
Italy Buoni Poliennali Del Tesoro 3.75% 01/09/2024	EUR	4,750,000	5,312	0.57
Italy Buoni Poliennali Del Tesoro 5.25% 01/11/2029	EUR	5,090,000	6,566	0.71
Italy Buoni Poliennali Del Tesoro 5.75% 01/02/2033	EUR	4,550,000	6,310	0.68
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 3.5% 01/03/2030	EUR	8,610,000	9,711	1.04
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 1.65% 01/03/2032	EUR	11,014,000	10,360	1.11
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 5% 01/08/2034	EUR	6,170,000	8,127	0.87
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 3.35% 01/03/2035	EUR	13,705,000	15,185	1.63
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 2.95% 01/09/2038	EUR	1,815,000	1,894	0.20
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 5% 01/09/2040	EUR	8,820,000	11,808	1.27
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 3.25% 01/09/2046	EUR	7,850,000	8,431	0.91
Italy Buoni Poliennali Del Tesoro, Reg. S, 144A 3.45% 01/03/2048	EUR	12,544,000	13,833	1.49
Italy Buoni Poliennali Del Tesoro, Reg. S 1% 15/07/2022	EUR	30,153,000	30,342	3.26
Italy Buoni Poliennali Del Tesoro, Reg. S 1.45% 15/11/2024	EUR	16,300,000	16,371	1.76
Italy Buoni Poliennali Del Tesoro, Reg. S 1.25% 01/12/2026	EUR	4,359,000	4,259	0.46

Schedule of Investments (continued)

As at 30 June 2019

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
<i>Italy (continued)</i>				
Italy Buoni Poliennali Del Tesoro, Reg. S 2.8% 01/12/2028	EUR	4,600,000	4,940	0.53
			211,702	22.75
<i>Netherlands</i>				
Netherlands Government Bond, Reg. S, 144A 0.75% 15/07/2028	EUR	56,500,000	61,670	6.63
Netherlands Government Bond, Reg. S, 144A 0.25% 15/07/2029	EUR	4,400,000	4,581	0.49
Netherlands Government Bond, Reg. S, 144A 0.5% 15/01/2040	EUR	12,400,000	13,021	1.40
			79,272	8.52
<i>Slovakia</i>				
Slovakia Government Bond, Reg. S 1.875% 09/03/2037	EUR	1,018,000	1,206	0.13
Slovakia Government Bond, Reg. S 2% 17/10/2047	EUR	683,000	845	0.09
			2,051	0.22
<i>Slovenia</i>				
Slovenia Government Bond, Reg. S 1.188% 14/03/2029	EUR	4,578,000	5,017	0.54
Slovenia Government Bond, Reg. S 1.5% 25/03/2035	EUR	1,174,000	1,315	0.14
Slovenia Government Bond, Reg. S 3.125% 07/08/2045	EUR	670,000	972	0.11
			7,304	0.79
<i>Spain</i>				
Spain Government Bond 0.05% 31/10/2021	EUR	17,200,000	17,385	1.87
Spain Government Bond 0.35% 30/07/2023	EUR	16,900,000	17,315	1.86
Spain Government Bond, Reg. S, 144A 1.4% 30/07/2028	EUR	6,260,000	6,867	0.74
Spain Government Bond, Reg. S, 144A 1.45% 30/04/2029	EUR	10,652,000	11,739	1.26
Spain Government Bond, Reg. S, 144A 4.2% 31/01/2037	EUR	6,240,000	9,593	1.03
Spain Government Bond, Reg. S, 144A 4.9% 30/07/2040	EUR	5,110,000	8,821	0.95
Spain Government Bond, Reg. S, 144A 5.15% 31/10/2044	EUR	3,680,000	6,822	0.73
Spain Government Bond, Reg. S, 144A 2.9% 31/10/2046	EUR	4,250,000	5,780	0.62
Spain Government Bond, Reg. S, 144A 2.7% 31/10/2048	EUR	430,000	566	0.06
			84,888	9.12
Total Bonds			880,191	94.59
Total Transferable securities and money market instruments admitted to an official exchange listing			880,191	94.59
Total Investments			880,191	94.59
Cash			39,973	4.30
Other Assets/(Liabilities)			10,370	1.11
Total Net Assets			930,534	100.00

Schedule of Investments (continued)

As at 30 June 2019

Financial Futures Contracts

Security Description	Number of Contracts	Currency	Unrealised Gain/(Loss) EUR' 000	% of Net Assets
Euro-Bobl, 06/09/2019	382	EUR	142	0.02
Euro-Schatz, 06/09/2019	1,038	EUR	212	0.02
Total Unrealised Gain on Financial Futures Contracts - Assets			354	0.04
Euro-BTP, 06/09/2019	(70)	EUR	(302)	(0.03)
Euro-Bund, 06/09/2019	(981)	EUR	(1,563)	(0.17)
Euro-Buxl 30 Year Bond, 06/09/2019	(174)	EUR	(946)	(0.10)
Euro-OAT, 06/09/2019	(166)	EUR	(3)	—
Total Unrealised Loss on Financial Futures Contracts - Liabilities			(2,814)	(0.30)
Net Unrealised Loss on Financial Futures Contracts - Liabilities			(2,460)	(0.26)

Interest Rate Swap Contracts

Nominal Amount	Currency	Counterparty	Security Description	Maturity Date	Market Value EUR' 000	% of Net Assets
80,000,000	EUR	Citigroup	Pay floating EURIBOR 6 month Receive fixed (0.202)%	26/04/2021	246	0.03
60,000,000	EUR	Citigroup	Pay floating EURIBOR 6 month Receive fixed (0.277)%	05/06/2021	110	0.01
Total Market Value on Interest Rate Swap Contracts- Assets					356	0.04
143,000,000	EUR	Citigroup	Pay fixed 0.976% Receive floating EURIBOR 6 month	22/01/2028	(11,385)	(1.22)
60,000,000	EUR	Citigroup	Pay fixed 1.475% Receive floating EURIBOR 6 month	22/01/2038	(9,439)	(1.02)
29,000,000	EUR	Citigroup	Pay fixed 1.545% Receive floating EURIBOR 6 month	22/01/2048	(6,467)	(0.70)
200,000,000	EUR	Citigroup	Pay fixed 0.388% Receive floating EURIBOR 6 month	22/01/2023	(5,156)	(0.55)
30,000,000	EUR	Citigroup	Pay fixed 0.858% Receive floating EURIBOR 6 month	13/12/2028	(2,080)	(0.22)
13,000,000	EUR	Citigroup	Pay fixed 1.362% Receive floating EURIBOR 6 month	13/12/2038	(1,793)	(0.19)
20,000,000	EUR	Citigroup	Pay fixed 0.996% Receive floating EURIBOR 6 month	03/10/2028	(1,646)	(0.18)
67,000,000	EUR	Citigroup	Pay fixed 0.262% Receive floating EURIBOR 6 month	13/12/2023	(1,598)	(0.17)
6,000,000	EUR	Citigroup	Pay fixed 1.242% Receive floating EURIBOR 6 month	22/02/2049	(875)	(0.09)
150,000,000	EUR	Citigroup	Pay fixed (0.147)% Receive floating EURIBOR 6 month	23/01/2021	(554)	(0.06)

Schedule of Investments (continued)

As at 30 June 2019

Interest Rate Swap Contracts (continued)

Nominal Amount	Currency	Counterparty	Security Description	Maturity Date	Market Value EUR' 000	% of Net Assets
17,000,000	EUR	Citigroup	Pay fixed 0.492% Receive floating EURIBOR 6 month	31/01/2023	(504)	(0.06)
200,000,000	EUR	Citigroup	Pay fixed (0.128)% Receive floating EURIBOR 6 month	22/01/2020	(212)	(0.02)
10,000,000	EUR	Citigroup	Pay fixed 0.328% Receive floating EURIBOR 6 month	05/06/2029	(156)	(0.02)
45,000,000	EUR	Citigroup	Pay fixed (0.125)% Receive floating EURIBOR 6 month	02/02/2020	(52)	(0.01)
10,000,000	EUR	Citigroup	Pay fixed (0.209)% Receive floating EURIBOR 6 month	28/06/2024	(12)	–
2,500,000	EUR	Citigroup	Pay fixed 0.735% Receive floating EURIBOR 6 month	28/06/2049	(11)	–
Total Market Value on Interest Rate Swap Contracts- Liabilities					(41,940)	(4.51)
Net Market Value on Interest Rate Swap Contracts- Liabilities					(41,584)	(4.47)

Rotterdam, 30 August 2019

The Manager

Robeco Institutional Asset Management B.V.

Polymakers RIAM:

Gilbert O.J.M. Van Hassel

Karin van Baardwijk

Peter J.J. Ferket

Martin O. Nijkamp

Mark C.W. den Hollander

Hans-Christoph von Reiche

Victor Verberk

Other information

Directors' interests

The policymakers of the Manager of the fund had no personal interests in the investments of the fund on 1 January 2019 and 30 June 2019.

Auditor

No external audit has been conducted.