Robeco Capital Growth Funds - Robeco Global Green Bonds

Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

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 include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Robeco Global Green Bonds

Legal entity identifier: 213800TZF6IC5ZUI3146

Sustainable investment objective

Does this financial product have a sustainable investment objective?

- [x] **Yes**
- [ ] **No**

- [x] It will make a minimum of **sustainable investments with an environmental objective**:70%
  - [x] in economic activities that qualify as environmentally sustainable under the EU Taxonomy
  - [x] in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
- [ ] It will make a minimum of **sustainable investments with a social objective**: __%

- [ ] It **promotes Environmental/Social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of _% 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 promotes E/S characteristics, but **will not make any sustainable investments**



What is the sustainable investment objective of this financial product?

The Sub-fund invests predominantly in Green Bonds, as well as in social and sustainable bonds.

With these investments, the Sub-fund finances investments that contribute to environmental goals like:
- Climate change mitigation and adaptation,
- Sustainable use and protection of water and marine resources,
- Transition to a circular economy,
- Waste prevention and recycling,
- Pollution prevention, and
- Protection of healthy ecosystems.

There is a reference benchmark designated for the purpose of attaining the sustainable objectives promoted by the Sub-fund.

What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Sub-fund has the following sustainability indicators:
1. The % of the Sub-fund invested in Green Bonds.
2. The % of investments in securities that are on Robeco's Exclusion list as result of the application of Robeco's Exclusion Policy.

How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?

The sustainable investments do no significant harm to any environmental or social sustainable investment objective by considering a principal adverse impact and aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

How have the indicators for adverse impacts on sustainability factors been taken into account?

For sustainable investments that are either Green, Social or Sustainabilityle Bonds, significant harm is avoided by the application of Green Bonds Principles.

For a large share of Green, Social and Sustainability bonds, Robeco adds an extra assessment on sustainability factors by applying Robeco's Green Bonds Framework or Social Bond Framework.

Via these frameworks, the following adverse impacts are directly considered:
- Table 1, PAI 10 (Violations of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises)
- Table 1, PAI 14 (Exposure to controversial weapons)

For Green bonds, there is no disclosures on GHG emissions. Yet, avoided emissions (scope 4 emissions) are considered. For Social bonds, Robeco considers board gender diversity (Table 1, PAI 13) depending on whether the use of proceeds of the social bond will tackle gender diversity issues.

Lastly, Robeco's SDG Framework is considered for the analysis of green, social or sustainability bonds. Robeco's SDG Framework assesses the contribution of companies to the Sustainable Development Goals (SDGs). 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.

A detailed description of the incorporation of Principal Adverse Impact is available via Robeco's Principal Adverse Impact Statement published on the Robeco website (https://www.robeco.com/files/docm/docu-robeco-principal-adverse-impact-statement-2024-en.pdf).

How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via Robeco's Exclusion Policy.



Does this financial product consider principal adverse impacts on sustainability factors?

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.

[X] Yes,_____

The Sub-fund considers principal adverse impacts on sustainability factors as referred to in Annex I of the SFDR Delegated Act.

Pre-investment, green, social and sustainable bonds are assessed via Robeco's Green Bond Framework and Social Framework, as well as via Robeco's SDG Framework. These framework directly and indirectly assess PAI indicators.

Robeco's SDG Framework assesses companies' positive and negative contributions to the Sustainable Development Goals (SDGs). Robeco's SDG Framework directly and/or indirectly screens companies on many of the topics considered by the PAI indicators.

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

Robeco's entity engagement program:
- 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). On an ongoing basis, the investment universe is scanned for controversial behavior in relation to the aforementioned principles and guidelines.
- 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.

A detailed description of the incorporation of Principal Adverse Impact is available via Robeco's Principal Adverse Impact Statement published on the Robeco website.

More information is available via Robeco's Principal Adverse Impact Statement, published on Robeco's website. The fund will periodically report how it has considered the principal adverse impacts of its investments in the annual report, which will be made available each year before 30 April of the following calendar year at the fund page highlighted in the final section of this document.

☐ No



What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

Robeco Global Green Bonds is an actively managed fund that invests in Green Bonds globally issued by governments, government-related agencies and corporates. The selection of these bonds is based on fundamental analysis as described in the Investment policy strategy paragraph in Appendix I of this Prospectus. Other bonds invested in are either social bonds or sustainability bonds. The strategy integrates sustainability indicators on a continuous basis as part of the investment selection process. Amongst others, the Sub-fund applies norms-based and activity-based exclusions, Robeco's good governance policy, Robeco's SDG framework and considers Principal Adverse Impacts in the investment process. More product-specific information can be found on our website and the links provided in the final question of this disclosure.

What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?

The Sub-fund has the following binding elements:
1. The Sub-fund allocates a minimum of 80% to Green Bonds based on external vendor data or the internally developed framework by Robeco.
2. The Sub-fund's portfolio complies with Robeco's Exclusion Policy Level 2 (https://www.robeco.com/files/docm/docu-exclusion-policy.pdf), that is based on exclusion criteria with regards to products and business practices that Robeco believes are detrimental to society. This means that the Sub-fund has 0% investments in excluded securities, taking into account a grace period. This includes any company that is in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Information with regards to the effects of the exclusions on the Sub-fund's universe can be found at https://www.robeco.com/files/docm/docu-exclusion-list.pdf.

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

What is the policy to assess good governance practices of the investee companies?

Robeco has a Good Governance policy to assess governance practices of companies. The policy describes how Robeco determines if and when a company does not follow good governance practices and is therefore excluded from the initial investment universe for the Sub-fund. Robeco's Good Governance policy applies tests on a set of governance criteria that reflect widely recognized industry established norms and include topics as employee relations, management structure, tax compliance and remuneration.

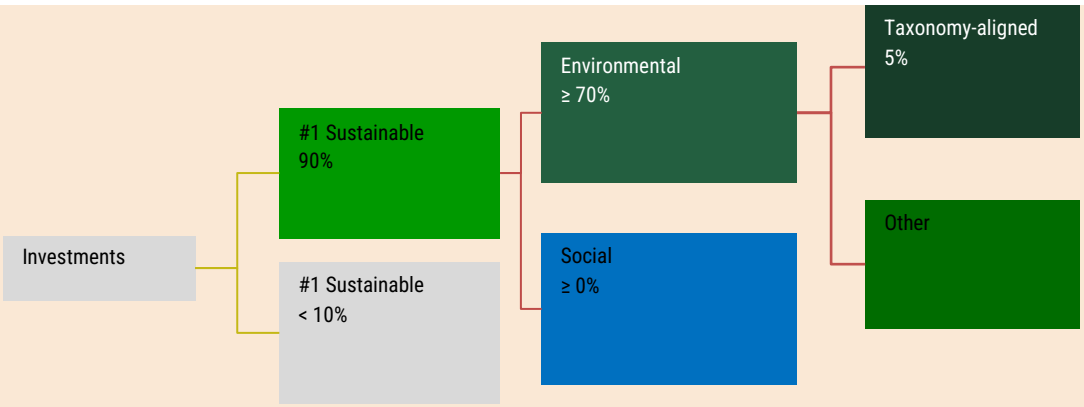
The Good Governance test consists of criteria on such topics that are examined for investee companies and further explained in Robeco's Good Governance policy https://www.robeco.com/files/docm/docu-robeco-good-governance-policy.pdf. Additionally, the companies that do not pass the good governance test are reflected in the exclusion list that can be accessed here - https://www.robeco.com/files/docm/docu-exclusion-list.pdf.

What is the asset allocation and the minimum share of sustainable investments?

The Sub-fund plans to make a minimum of 90% sustainable investments, defined as investments in Green, Social or Sustainability bonds, with a minimum portion of 70% sustainable investments with an environmental objective. These percentages are minimum commitments so the two subsets are not equal to the total minimum proportion of sustainable investments in the asset allocation section. The same applies for the further split of the total minimum of environmentally sustainable investments into the minimum commitments of taxonomy-aligned and other environmental sustainable investments, where the lack of data availability and coverage also influences the level of the minimum commitments. The investments in the category #2 Not sustainable, estimated between 0-10%, are in cash and cash equivalents. The planned asset allocation is monitored and evaluated on a yearly basis.

Asset allocation describes the share of investments in specific assets.

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.



#1 Sustainable covers sustainable investments with environmental or social objectives.
#2 Not sustainable includes investments which do not qualify as sustainable investments.

How does the use of derivatives attain the sustainable investment objective?

The Sub-fund does not make use of derivatives to attain the sustainable objective promoted by the financial product. The Sub-fund may make use of derivatives for hedging as well as liquidity management. This includes the usage of derivatives to manage currency and duration exposures in a cost-effective manner. To that purpose exchange traded and over-the-counter derivatives linked to sovereign bonds (treasuries), interest rates, swap rates and currencies are permitted. Derivatives linked to corporate exposure are not allowed.

In case the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, minimum environmental or social safeguards are taken into account.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-fund intends to contribute to all environmental objectives under the EU Taxonomy. The Sub-fund commits to a minimum share of 5% of Taxonomy-aligned activities. The Sub-fund uses CapEx as the primary metric for Taxonomy alignment because it reflects the issuers' of use of use of proceed planned investments in environmentally sustainable activities, which is particularly relevant for these transition sectors where current turnover does not capture future alignment. The minimum proportion of Taxonomy-aligned activities shall be calculated covering all assets of the products in accordance with Article 17 of the EU Taxonomy Regulation. The expected level of alignment with and without sovereign bonds is the same.

Does the financial product invest in fossil gas and/or nuclear energy related activities that comply with the EU Taxonomy?[1]

Yes

In fossil gas

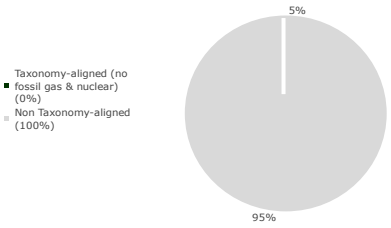
In nuclear energy

No

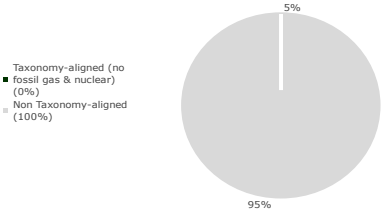
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The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment 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.

1. Taxonomy alignment of investments **including sovereign bonds***



2. Taxonomy alignment of investments **excluding sovereign bonds***



Based on the expected sovereign exposure, this graph represents 40% of the total investments.

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

[1] 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.

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.

What is the minimum share of investments in transitional and enabling activities?

0%



What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?



are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The Sub-fund commits to a minimum share of sustainable investments with an environmental objective of 70%. Green bonds may invest (part of) their use of proceeds in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy. The Sub-fund commits to a minimum share of sustainable investments of 10% with an 'Other' environmental objective because of the current data availability on the EU Taxonomy in the fund market.



What is the minimum share of sustainable investments with a social objective?

Social or sustainability bonds may invest (part of) their use of proceeds in economic activities that contribute to a social objective. The Sub-fund does not commit to a minimum share of socially sustainable investments because the Sub-fund's investment strategy does not have a specific social investment objective.



What investments are included under "#2 Not sustainable", what is their purpose and are there any minimum environmental or social safeguards?

The type of instruments included under "#2 Not Sustainable" and their purpose are outlined in Annex I of this Prospectus under the header 'Financial instruments and investment restrictions'. They include cash, cash equivalents, as well as investment funds and eligible asset classes (other than bonds and equities) that do not specifically promote E/S characteristics. As indicated above, the Sub-fund does not make use of derivatives to attain its sustainable objective. The Sub-fund may make use of derivatives for hedging and liquidity management. This includes the usage of derivatives to manage the duration around the benchmark duration and currency exposures in a cost-effective manner. For the management of currency exposure FX Forwards are allowed. Furthermore exchange traded and over-the-counter derivatives linked to sovereign bonds (treasuries), interest rates, swap rates and currencies are permitted. In case the Sub-fund uses derivatives, the underlying shall comply with the investment policy and the exposure through the use of derivatives must fit the investment universe of the Sub-fund. Where relevant, minimum environmental or social safeguards are taken into account by monitoring and applying Robeco's Exclusion Policy for the use of derivatives linked to sovereigns. Additionally, derivatives linked to corporate exposure are not allowed.



Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

Yes, the Sub-fund uses the Bloomberg MSCI Global Green Bond Index as a reference index to meet the sustainable investment objective of The Sub-fund.

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.

How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?

Given that sustainable investment objective of The Sub-fund is to finance investment in Green Bonds, the reference index is aligned with such objective of The Sub-fund by applying clearly defined rules for evaluating Green Bonds composition in the index.

Bloomberg MSCI evaluates Green Bonds to ensure adherence to established Green Bond Principles (GBP) and to examine bonds by their environmental use of proceeds. The index provider follows an eligibility criteria along four dimensions as per the GBP for assessing eligibility to index. In this way The Sub-fund's investment objective is aligned with the reference index.

How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?

The methodology of the reference index follows rebalancing rules which ensures alignment with the investment strategy of The Sub-fund.
The Bloomberg MSCI Global Green Bond Index is rebalanced on the last business day of each month. New bond issues are not added to the Projected Universe until after the Green Bond Evaluation. On the 25th calendar day of each month, the list of Green Bonds that are evaluated is updated by MSCI ESG Research which are taken into consideration before rebalancing.

How does the designated index differ from a relevant broad market index?

The benchmark differs from a broad general market index in that the latter does not take into account in its methodology any criteria for eligibility and inclusion of Green Bonds.

Where can the methodology used for the calculation of the designated index be found?

The index methodology can be found on the relevant webpages by the index provider:
https://www.msci.com



Where can I find more product specific information online?

o More product-specific information can be found on the website:
https://www.robeco.com/en-int/products/funds/
o Robeco's PAI Statement can be accessed via the following link:
https://www.robeco.com/files/docm/docu-robeco-principal-adverse-impact-statement-2024-en.pdf
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