ROBECO
The Investment Engineers

Integrated Annual Report 2024

ENGINEERING PROGRESS

Growing, innovating and focusing on the future

A conversation with our CEO

Our CEO Karin van Baardwijk looks back at 2024, a year in which markets rose strongly, our portfolios performed well, and Robeco continued to innovate, despite ongoing challenges.

How do you reflect on 2024? What stood out in Robeco's performance and in the operating environment?
Robeco had a successful year in 2024. The investment environment improved and market appreciation was evident, positively impacting our profitability and operating numbers. We are proud that 63% of our managed or sub-advised portfolios outperformed their benchmarks over the three years to the end of 2024.

Net positive flows added 4% to our asset base, dominated by institutional mandate inflows, whereas fund flows faced a continued challenging wholesale market sentiment. The positive market appreciation played a significant role, adding an additional 14% to our asset base since the start of the year. We have developed a wide range of services to match clients' evolving needs and onboarded several high-profile clients across the globe.

Within our investment engine, we are experiencing what can be described as a 'quant renaissance'. We enhanced the resilience of our future performance by adding more information sources to our quantitative models and by further improving our process from front- to back-end. This period brought some impressive results, especially in our emerging market (EM) quant strategies, which presented strong alpha over the last four consecutive years. Our Global Enhanced Indexing strategy celebrated its 20th anniversary in 2024 and has performed very well relative to its benchmark for the last three years. This capability has become a popular choice for many asset allocators as a superior alternative to passive investing. Within fundamental equity, both Global Stars and Asia Pacific performed exceptionally well, ranking in the top 25% of all similar investment strategies over one-, three-, five- and ten-year periods. These strategies are attracting increasing interest from clients around the world.

Our global credit team realized positive total returns, thanks to conducive market conditions and a stable corporate environment. Throughout the year, spreads hit historical lows, while yields stayed attractive. Our investment grade strategies outperformed their benchmarks due to our active risk management and careful issuer selection. High yield markets saw a strong recovery in distressed debt, affecting the relative performance of our up-in-quality high yield capability. Emerging credit markets also did well, with limited debt issuance leading to tighter spreads.

Markets' excitement about the potential productivity gains linked to artificial intelligence persisted over the year, with US equities leading the way. However, there were still significant challenges, and 2024 rewarded investors who remained calm and maintained their risk exposure. Bond market volatility became the new norm, and expectations of interest rate cuts by central banks constantly shifted. In the final months of the year, global markets were anxiously anticipating the impact of Donald Trump's second term as US president, regulatory changes, and tax cuts.

With increasing political and legal challenges, especially in the US, is the trend toward sustainable finance being reversed?
As a global asset manager, we see many differences in how regions approach sustainability. Our annual global climate survey shows increasing regional differences, especially in climate investing. This reflects the diverse markets we operate in. It is clear that sustainability means different things to different people, depending on their context and priorities. For us, we balance our clients' goals of return, risk and sustainability through listening to their objectives and tailoring the outcome accordingly. At Robeco, we have shown the expertise and capabilities to deliver these solutions. The topic of climate change is not going away. The timing and pace may differ per region, but it will remain on the agendas of our clients.

During the year, we launched various solutions for transition investing. In Asia, especially Singapore, strong regulatory support has been vital. A few years ago, Singapore's authorities urged asset owners and managers to collaborate on transition investing, prompting us to create specific investments and solutions. This approach is now expanding to Europe.

The theme of this integrated report is 'engineering progress'. How is Robeco seeking to grow?
Our 2021-2025 strategy aims to drive both organic and non-organic growth, focusing on key areas such as Sustainable Investing, Quant, Credits, Thematic, and Emerging Markets. In 2024, we further diversified and expanded our products. We added new strategies for sovereign debt in our EM offerings. We also entered the European active exchange-traded fund (ETF) market, with the launch of our first line-up of active ETFs. Active ETFs package Robeco's intellectual property and help to bring our investment strategies to clients with benefits like liquidity and immediacy. Our first ETFs are gaining traction, and we plan to launch a fixed income range soon.

We expect ETFs to increasingly become the investment vehicle of choice for many people. Active ETF solutions will help to solidify and increase our position in the rapidly evolving wholesale market, which is characterized by increasing consolidation with wholesale clients having relationships with fewer asset managers. Like many other active managers, Robeco's wholesale business has experienced outflows in recent years, especially in thematic investing. While we are beginning to observe a positive shift, we are proactively enhancing our wholesale distribution to ensure future readiness. Additionally, we are expanding our offerings to make institutional intellectual property accessible to wholesale clients. We are also restructuring our operations, with our sales team focusing on providing solutions rather than merely selling products. Furthermore, we are maintaining top-notch marketing materials, and tools to help wholesale clients effectively explain Robeco's products to their end clients.

Larger financial institutions, such as pension funds, banks and insurers are increasingly forming strategic partnerships with best-in-class asset managers to manage costs and enhance collaboration benefits. We are tapping into this trend by continuously seeking ways to act as an extension of our partners' organizations, sharing knowledge in investments and other areas like sustainability and AI.

In recognizing the breadth and depth of the UK market from a talent perspective, we made a strategic decision to expand our capabilities in the region. Our investment in the UK resulted in relocating to a new office, more than doubling our capacity in London, a MiFID Investment Firm license, and the launch of several new product capabilities being managed from the UK. The combined effect gives us the ability to attract and retain the talent that will support our strategic ambitions going forward.

Robeco has been active in the Asia-Pacific (APAC) region for over 20 years, with a significant and growing portion of our total client assets coming from this area. With APAC (excluding Japan) expected to grow at a high single-digit rate in the coming years, we view it as a crucial region for new and long-term growth. We plan to expand our presence and leverage deglobalization trends. To support this future growth, we recently moved to a larger office in Singapore.

Technology and innovation as prerequisites for growth and remaining relevant. What steps did you take in this area?
Innovation is at the heart of Robeco's identity. In response to fee pressures and rising costs that have squeezed market margins, we are committed to leveraging quantitative processes and technologies to enhance scalability and improve efficiency. Alongside efficiency and security, we are integrating generative AI and machine learning across our investment engine to stay ahead in the rapidly evolving world.

Our Next-Gen Quant has been commercially deployed, and the Next-Gen Incubator initiative, which began a few years ago, has effectively utilized new and existing intellectual properties to create exciting products that complement our traditional offerings.

Strategies from the incubator initiative are attracting significant client interest. One notable strategy is the Dynamic Theme Machine, now available as an ETF, which uses advanced AI to identify emerging investment themes early. This ETF is also a good example of cooperation between different investment teams. Additionally, in 2025, we plan to launch the Robeco AI Small Cap Equities strategy. This strategy uses machine learning algorithms like neural networks and XGBoost to predict returns on small-cap stocks, which are ideal for quantitative strategies due to their unique characteristics and limited analyst coverage.

Furthermore, intellectual properties developed from the Next-Gen Quant program are being incorporated into our established quant strategies to achieve a balanced integration of proven and cutting-edge quant investment insights.

What steps did you take from a people perspective in 2024?
Our people drive our success. We believe performance is not just about financial results. If you want lasting results, behavior is a key factor as well. Diverse perspectives drive innovation and performance, and we aim for a secure base where everyone feels valued and empowered to share their perspectives. Our leadership priorities foster a growth mindset and aim to establish a secure base for everyone to thrive. In 2024, all our colleagues took part in our 'Accelerate' program, a full-day training developed with the IMD business school, for all colleagues on personal and people leadership behavior.

Via our custom-made programs, like the Global Investment Traineeship and the Accelerate training, we attract, retain, and develop talented people who drive our future success. We emphasize continuous development to ensure our colleagues have the skills, mindset and knowledge needed in a rapidly evolving industry. In 2024, we also introduced AI training for all employees to enhance their productivity and collaboration skills.

Although we made further progress regarding our diversity targets in 2024, we are not yet where we want to be. We are observing the pushback on this topic in certain regions. Nonetheless, we remain committed to our goals of a more inclusive and equitable workplace. We believe in the importance of diversity and inclusion, as they drive innovation and overall performance, and ensure that Robeco remains a great place to work for all colleagues.

What is your outlook for 2025 and beyond?
Robeco's one-year outlook predicts another complex year for the global economy with mixed signals and multifaceted dynamics, highlighting how quickly momentum can change in today's data-driven world. In the past months, US trade policy uncertainty reached a new all-time high and stock markets have been swinging around in response. New policies, including higher tariffs and reciprocal measures, are likely to exacerbate inflationary pressures through supply chain disruptions. This could pose significant challenges to the resilient US economy, potentially impacting corporate profitability and consumer prices. The disruption of the global economy may bring us closer to a multipolar world with all its added complexity and challenges.

As we approach the end of our 2021-2025 strategic period, we have begun drafting a new strategy to be published in the first half of 2025. We believe Robeco is already on the right path, so this will be an evolution rather than a revolution. Our goal is to define ten-year revenue targets, with the path mapped out through shorter, three-year strategic plans. These shorter-term initiatives will be executed with diligence and focus while remaining flexible and adaptable to global changes.

In the meantime, we remain dedicated to creating wealth and wellbeing for our clients through innovative, research-driven products, with a clear focus on our future growth. We are stewards of our clients' capital and hold that responsibility close to our core. So, a special word of thanks for the trust our clients place in us every day. We exist by the grace of our clients and we are not only grateful for this opportunity but also proud to work in partnership with them.

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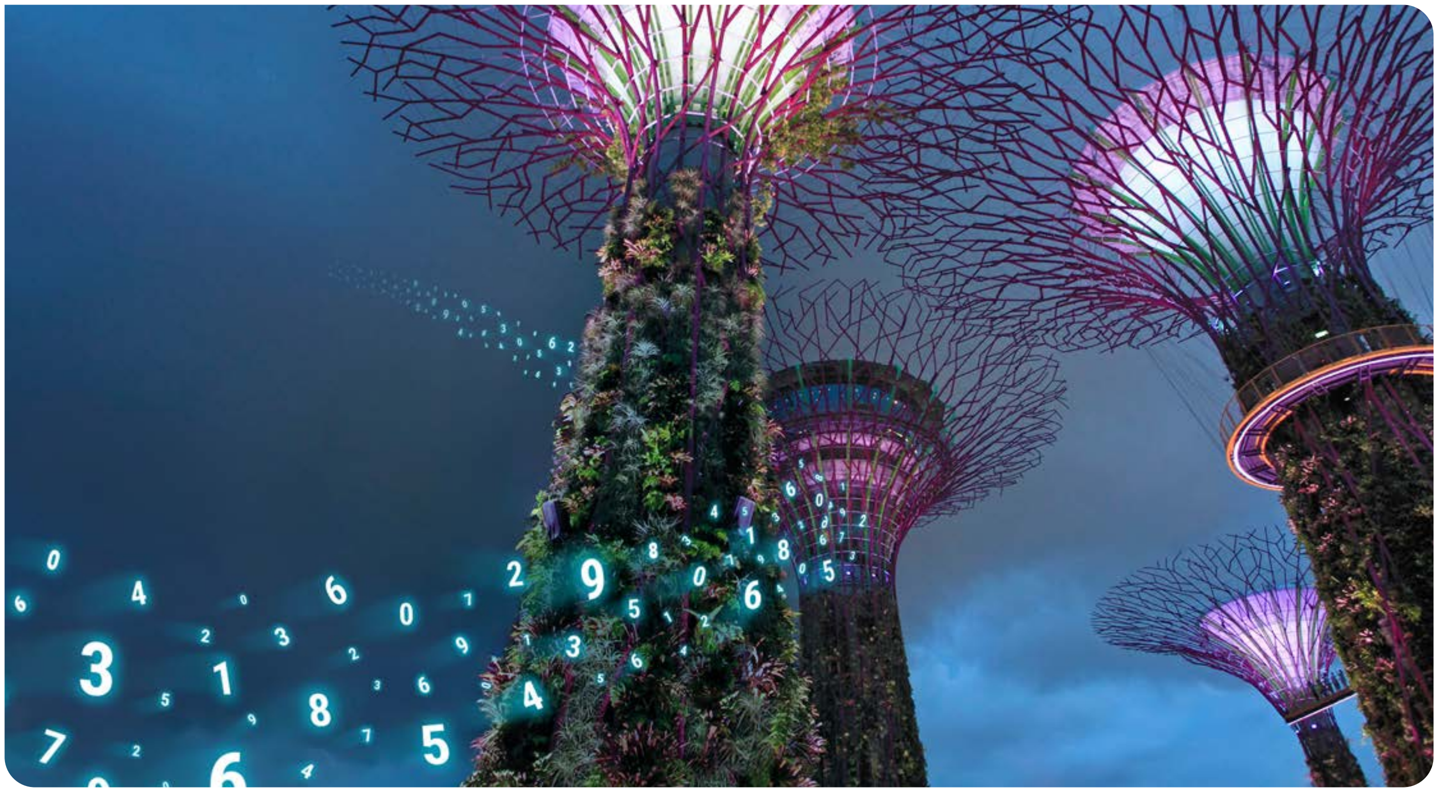


This Annual Report concerns Robeco Holding B.V. and all its direct and indirect subsidiaries (all of which, combined, we refer to from now on as 'Robeco'). It brings together Robeco's consolidated management report including sustainability statements, financial statements and other relevant information for the year ended 31 December 2024. It describes Robeco's business, strategy, performance and impacts over the past year, the risks we are exposed to and the opportunities available to us. It also provides an overview of our system of governance and approaches to risk and asset management.

This is Robeco's main regulatory disclosure document. All consolidated financial information in this report has been prepared in accordance with the International Financial Reporting Standards, as endorsed by the European Union (IFRS-EU).

We have prepared the report in accordance with the Universal Standards of the Global Reporting Initiative (GRI) and the International Integrated Reporting <IR> Framework from the International Integrated Reporting Council (IIRC). This year we have chosen to begin aligning our report with the EU Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standards (ESRS). We expect to make further changes and improvements to our reporting before we fully adopt these standards and as market practice evolves. In the current report, we have included Sustainability Statements, as prescribed by ESRS. These statements detail Robeco's approach to sustainability and emphasize the importance of sustainability to our purpose, strategy and approach to compliance and risk management, but they are not intended to fully comply with ESRS disclosure requirements.

Please refer to Appendix 1 for further information on our approach to reporting, the basis of preparation of this report and other legal notices.

We believe in being fully transparent with our stakeholders. By publishing this report, we aim to help readers understand how we seek to create value and how we are progressing towards our strategic ambitions. We welcome any feedback you may have as it helps us continue to improve. Please send your comments or questions to cc@robeco.com.

→ *Read Robeco's sustainability reports and policies*

→ *Read our Integrated Annual Report 2023*

About Robeco

Our mission & vision

About Robeco

Founded in 1929, Robeco is an asset manager providing a range of fundamental and quantitative investment strategies incorporating sustainability considerations. Headquartered in Rotterdam in the Netherlands, we operate across the globe with 15 international offices. We contribute to economic stability by, for example, helping ensure our employees receive a good pension and investing in companies that generate employment. Through our activities we aim to play a part in addressing the challenges of our time, such as climate change, protecting biodiversity and promoting social equality.

Leading the way on the sustainability journey

Robeco was one of the first asset managers to recognize the need for, and the opportunities presented by, investing sustainably. Extensive research has convinced us that businesses that act sustainably are more likely to succeed in the future. Our commitment to sustainability is a fundamental part of our investment philosophy and our way of working, who we are and what we want to be. We are convinced that considering ESG factors in our investment processes leads to better-informed investment decisions, and we are widely recognized as a leader in the area of sustainable investing. In our role we help our clients to achieve their financial and sustainability goals wherever they may be on their sustainability journey.

→ *Read more about our Sustainable Investing solutions*
→ *Read more about how we integrate climate, nature and social issues considerations into our investment processes*
→ *Read more about our Stewardship activities*

OUR MISSION

We enable our clients to achieve their financial and sustainability goals by providing superior investment returns and solutions.

OUR VISION

Safeguarding economic, environmental and social assets is a prerequisite for a healthy economy and for generating attractive returns in the future. The investment industry's focus is therefore shifting further from solely creating wealth to creating wealth and wellbeing.

OUR VALUES

Our core values reflect the essence of Robeco and serve as a reference for our daily work. They create and strengthen a clear and shared identity and drive the behavior needed to successfully achieve our strategic ambitions. Robeco has four core values:

Client-centered

We always act in the best interest of our clients.

Innovative

We are inquisitive and goal driven.

Sustainable

We act responsibly for Robeco, the environment, and society.

Connecting

We help each other be successful.

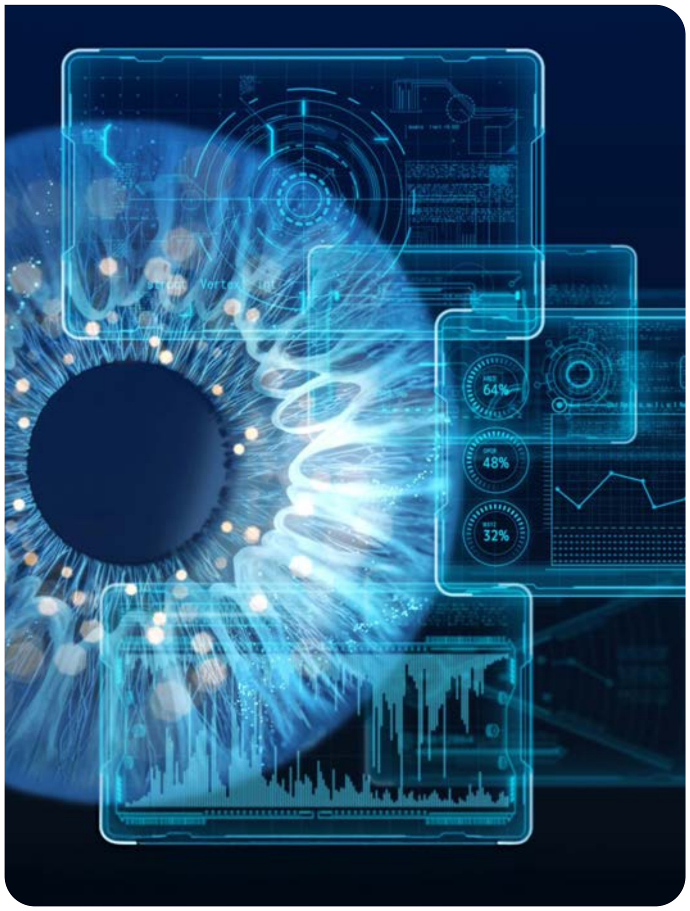
Research and innovation

At Robeco, every investment decision is grounded in extensive research. We start this research with a robust economic rationale, gather data carefully and rigorously test our ideas and products before offering them to our clients. This is why we call ourselves 'The Investment Engineers'.

Over two decades of research into and practice of sustainable investing have equipped us with the tools and expertise we need to define financially material ESG information and incorporate sustainability into our wide range of investment products. We share our sustainability research, such as the Sustainable Development Goals (SDG) scores that we assign companies and countries based on our proprietary SDG Framework, publicly on our website.

We also conduct a considerable amount of quantitative research in-house, and have made a number of contributions to quantitative investment theory. We publish articles in leading journals on topics such as factor investing and the correlation between stocks and bonds.

We were also a pioneer in thematic investment strategies, recognizing the power of megatrends to drive structural change. Our Dynamic Theme Machine strategy, which we launched in 2024, is the latest addition to our range of thematic strategies, combining AI, next-generation quant techniques and our fundamental expertise to produce an innovative, active, multi-theme exchange-traded fund.



2024 key highlights

FINANCIALS

EUR 604.0 MILLION
Operating income

EUR 115.0 MILLION
Net result

EUR 462.7 MILLION
Operating expenses

CLIENTS

36
Clients interviewed

4.5/5
Service satisfaction score

Clients by region[1]

Europe ex UK	59%
Asia - Pacific	21%
United Kingdom	9%
Americas	5%
Africa	3%
Middle East	3%

INTEGRATED ANNUAL REPORT 2024

OUR PEOPLE

15|13
OFFICES IN COUNTRIES

7.6
Employee engagement score

684 MALE | 373 FEMALE

Headcount
1,057

Age distribution

< 30 year	12%
30-50 year	56%
50>	32%

Women-to-men total remuneration percentage

99% Senior Professionals and Executive Committee

92% Professionals

99%
participation in our *Leadership program*

72% participation rate in the *Inclusion survey*

Cultural diversity breakdown

White/Caucasian	76%
Asian	15%
Black/African	3%
Hispanic	2%
N-African/M-Eastern	2%
Other	2%

INVESTMENTS

ASSETS UNDER ADVICE 12.3

ASSETS UNDER MANAGEMENT 201.8

EUR 214.1 BILLION
Total client assets

63%
portfolios outperforming their benchmark[2]

EUR 209.8 BILLION
ESG-integrated assets

301
Companies engaged

6,655
Votings

EUR 178.0 BILLION
Assets under engagement

-43.8%
COMPARED TO 2019
Carbon footprint reduction of investments in scope

CO_2

11.3 MILLION TONNES
Carbon footprint of investments in scope (scope 3 downstream)

ROBECO
The Investment Engineers

1. The breakdown is shown per total client assets.
2. For the three-year period ending on 31 December 2024.

Our offices

15 OFFICES IN | **13** COUNTRIES

North America

- New York
  Robeco USA
  Investment research
  & Client relations

Europe

- Rotterdam
  Robeco Headquarters
  Asset management
  & Client relations

- London
  Robeco UK
  Asset management
  & Client relations

- Frankfurt
  Robeco Germany
  Client relations

- Paris
  Robeco France
  Client relations

- Madrid
  Robeco Spain
  Client relations

- Milan
  Robeco Italy
  Client relations

- Zurich
  Robeco Switzerland
  Asset management
  & Client relations

Middle East

- Dubai
  Robeco Middle East
  Client relations

Asia Pacific

- Hong Kong
  Robeco Asia Pacific
  Asset management
  & Client relations

- Tokyo
  Robeco Japan
  Client relations

- Shanghai
  Robeco China
  Asset management
  & Client relations

- Singapore
  Robeco Singapore
  Asset management
  & Client relations

- Sydney
  Robeco Australia
  Client relations

- Melbourne
  Robeco Australia
  Client relations

Per 1 July 2024 our Miami office was closed. Colleagues transitioned to New York during the first half of 2024.

Our global presence

Robeco has 15 offices in 13 countries. Our offices are involved in three types of core services:

Asset management	Managing financial assets to generate investment returns
Investment research	Analyzing financial data and market trends to inform our investment strategies and decisions
Client relations	Building and maintaining strong, trust-based relationships with our clients and prospects and supporting them as we seek to meet their investment needs

Our headquarters are located in Rotterdam, the Netherlands, with our centralized corporate functions.

We have also established three hubs with particular expertise or capabilities in certain areas:

Zurich	Has expertise in the area thematic investing and sustainability
London	Provides access to rare talent in a global financial center
Hong Kong	Provides operational support to all our offices in the Asia-Pacific region

2024 financial results summary

Below we summarize our financial results for 2024 and previous years.
More information on this can be found in the Financial statements chapter.

Table 1 | Overview of Robeco's client assets and annual financial results

	2024	2023	2022	2021
TOTAL CLIENT ASSETS	214.1	180.6	171.1	200.7
ASSETS UNDER MANAGEMENT – AuM (EUR x billion)[1]				
Beginning of the year	170.9	158.8	189.5	164.0
Inflows/(outflows)	5.9	(5.2)	(6.1)	1.9
Market appreciation/(depreciation)	25.0	17.3	(24.6)	23.6
End of the year	201.8	170.9	158.8	189.5
ASSETS UNDER ADVICE – AuA (EUR x billion)[1]				
Beginning of the year	9.7	12.3	11.2	9.5
Inflows/(outflows)	1.0	-4.1	3.0	-0.3
Market appreciation/(depreciation)	1.7	1.5	-1.9	2.0
End of the year	12.3	9.7	12.3	11.2
FINANCIAL RESULTS (EUR x million)				
Operating income	604.0	576.5	608.6	657.8
Operating expenses	-462.7	-449.5	-435.7	-428.6
Operating result	141.3	127.0	172.9	229.2
Non-operating result	11.2	3.9	-1.7	0.2
Result from associated companies and sale of business	-	17.5	-0.2	0.1
Taxes	-37.5	-35.5	-42.6	-52.2
Net result for the year[2]	115.0	112.9	128.4	177.3

Our total client assets increased from EUR 180.6 billion at the start of 2024 to EUR 214.1 billion by the end of December. Our assets under management increased from EUR 170.9 billion at the start of 2024 to EUR 201.8 billion by the end of December. The increase was driven by EUR 25.0 billion in market movements and EUR 5.9 billion in net inflows, primarily from institutional clients. Our assets under advice increased by EUR 2.6 billion to EUR 12.3 billion by the end of December 2024. EUR 1.6 billion of this increase was due to market movements, while client inflows contributed an additional EUR 1.0 billion.

Assets under management and assets under advice
To provide greater transparency and insight into our assets, we have decided to split our total client assets (previously reported as assets under management) into two distinct categories: assets under management (AuM)[1] and assets under advice (AuA)[1]. This distinction enables us to offer a clearer view of our activities since the characteristics and average fee levels are different among the two types of assets.

Robeco's operating income in 2024 was EUR 604.0 million, an increase of EUR 27.5 million (5%) from 2023, mainly driven by higher fees as a result of our higher average total client assets in 2024 compared with 2023.

Our operating expenses increased by EUR 13.2 million (3%) to EUR 462.7 million in 2024, mainly due to higher salary and advisory costs. The Advisory costs are mainly related to due diligence expenses. Our non-operating income of EUR 11.2 million is a result of our own investments (in the portfolios we seeded), interest income and bank charges. The 2024 figure was higher than in 2023 due to positive market performance and higher interest rates.

Robeco's management considers the company's financial position to be sound and resilient. All relevant capital and liquidity requirements to which Robeco's legal entities are subject are being met, demonstrating our robust financial health and ability to withstand economic fluctuations.

1. **Assets under management** include assets managed, sub-advised or distributed by Robeco Institutional Asset Management, Robeco Switzerland and other subsidiaries of Robeco Holding.
   Assets under advice relate to assets under license by Robeco Indices and advisory contracts by Robeco Institutional Asset Management.
2. Net result for the year, as presented in this overview, is after deducting the share of non-controlling interests. The share of non-controlling interests is in this overview included in Non-operating result.

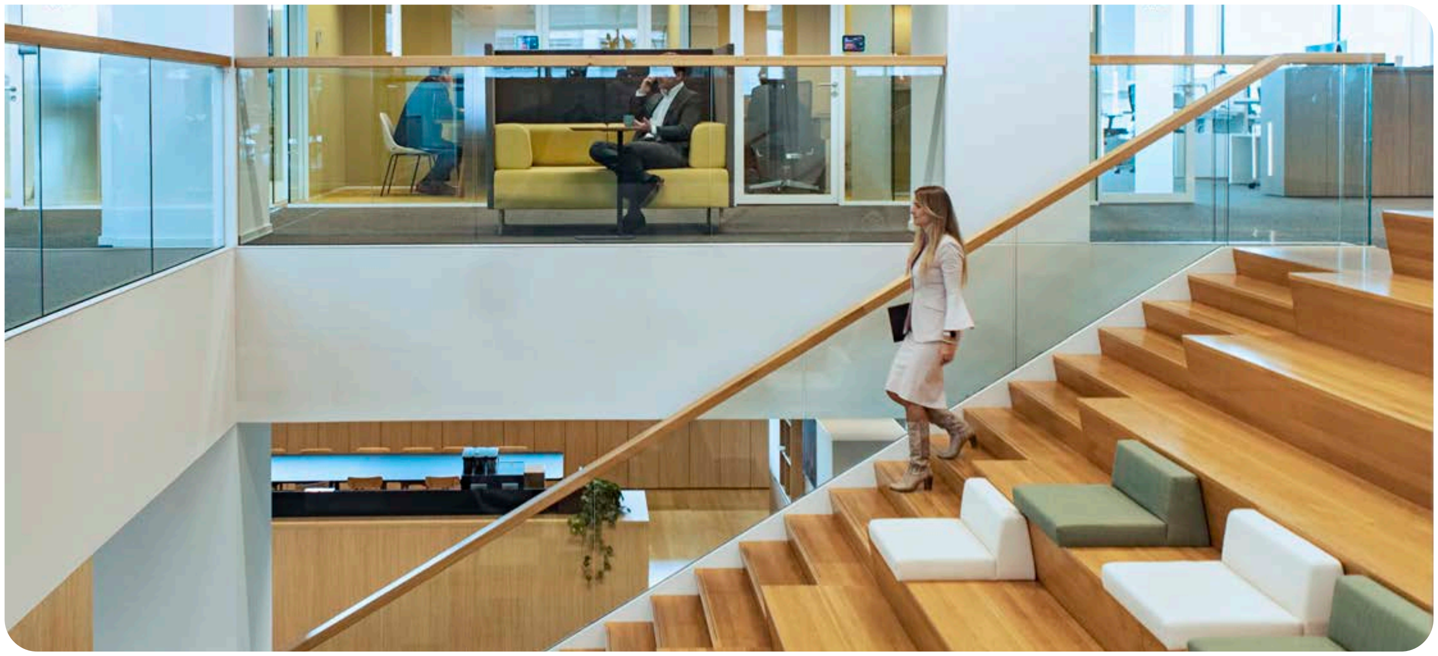
Investment performance

Of all the portfolios that Robeco manages or sub-advises, 63%[3] outperformed their benchmark over the three years to the end of 2024. The corresponding figure for the three years to the end of 2023 was 68%. Forty-three percent outperformed in 2024, compared with 57% in 2023.

In 2024, equity markets from developed and emerging economies rose in value. Thirty-nine percent of our equity portfolios outperformed their benchmarks over the year, compared with 55% in 2023. Fifty-two percent outperformed over the three years to the end of 2024, down from 59% over the three years to the end of 2023.

Fixed income markets increased in value over the year. Fifty percent of our fixed income portfolios outperformed their benchmarks in 2024, compared with 62% in 2023. Eighty-four percent of our fixed income portfolios outperformed over the three years to the end of 2024, the same proportion as over the three years to the end of 2023. More detailed information on the performance of our portfolios can be found in the specific funds' annual reports.

The table on the next page shows the returns of some of our funds in 2024. We show their returns in absolute terms and their outperformance (+) or underperformance (-) compared with their benchmarks. We also show the Sharpe ratios[4] of our conservative equity funds, which invest in low-volatility stocks, and their benchmarks as we expect the returns of these funds to be less volatile than their benchmarks.



3. All returns are gross of fees.
4. The Sharpe ratio is a measure of risk-adjusted return. It is calculated by taking the annualized return minus the annualized return of the risk-free rate divided by the annualized volatility of the portfolio or index.

Table 2 | Absolute and relative returns of select[5] Robeco funds in 2024

	Fund	Return	Outperformance / underperformance
Equities	Robeco Asia-Pacific Equities (EUR)	20.3%	+3.5%
	Robeco BP Global Premium Equities (EUR)	16.1%	-10.5%
	Robeco BP US Large Cap (USD)	17.0%	+2.6%
	Robeco BP US Premium Equities (USD)	10.0%	-4.0%
	Robeco BP US Select Opportunities (USD)	10.7%	-2.4%
	Robeco Chinese Equities (EUR)	19.6%	-6.5%
	Robeco Emerging Markets Equities (EUR)	13.0%	-1.6%
	Robeco Emerging Stars Equities (EUR)	8.6%	-6.1%
	Robeco FinTech Equities (EUR)	31.7%	+6.4%
	Robeco Global Consumer Trends Equities (EUR)	20.4%	-5.0%
	Robeco Global SDG Engagement Equities (USD)	16.5%	-4.5%
	Robeco Indian Equities (EUR)	22.4%	+3.8%
	Robeco New World Financial Equities (EUR)	29.1%	-3.5%
	Robeco QI Emerging Conservative Equities (EUR)	16.6%	+1.9% (Sharpe ratio 2.2 vs. 1.1)
	Robeco QI Emerging Markets Active Equities (EUR)	21.4%	+6.8%
	Robeco QI European Conservative Equities (EUR)	9.5%	+1.0% (Sharpe ratio 1.1 vs. 0.7)
	Robeco QI Global Developed Sust. Enhanced Index Equities (EUR)	28.9%	+2.3%
	Robeco QI Inst. Emerging Markets Enhanced Index Equities Fund (EUR)	21.9%	+7.2%
	Robeco QI Inst. Global Dev. Conservative Equities (EUR)	22.9%	-3.7% (Sharpe ratio 2.1 vs. 2.5)
	Robeco Smart Energy (EUR)	11.8%	-14.8%
	Robeco Smart Materials (EUR)	-0.5%	-27.1%
	Robeco Smart Mobility (EUR)	6.5%	-20.1%
	Robeco Sustainable Water (EUR)	13.2%	-13.4%
	Robeco Sustainable European Stars Equities (EUR)	8.7%	+0.2%
	Robeco Sustainable Global Stars Equities Fund (EUR)	30.2%	+3.6%
	Robeco Sustainable Property Equities (EUR)	5.6%	-2.9%
	Rolinco (EUR)	22.1%	-3.2%
Fixed income	Robeco All Strategy Euro Bonds (EUR)	1.7%	-0.9%
	Robeco Climate Global Credits (EUR)	1.6%	-0.1%
	Robeco Climate Global High Yield Bonds (EUR)	5.7%	-2.0%
	Robeco Euro Credit Bonds (EUR)	5.3%	+0.5%
	Robeco Euro Government Bonds (EUR)	1.7%	-0.2%
	Robeco Euro SDG Credits (EUR)	5.3%	+0.6%
	Robeco European High Yield Bonds (EUR)	6.6%	-0.4%
	Robeco Financial Institutions Bonds (EUR)	9.3%	+0.7%
	Robeco Global Credits (EUR)	2.5%	+0.5%
	Robeco Global Green Bonds (EUR)	1.5%	-0.7%
	Robeco Global SDG Credits (EUR)	2.5%	+0.6%
	Robeco High Yield Bonds (EUR)	5.0%	-1.5%
	Robeco QI Dynamic High Yield (EUR)	6.6%	-0.7%
	Robeco QI Global Dynamic Duration (EUR)	0.7%	+0.9%
	Robeco QI Global Multi-Factor Credits (EUR)	1.8%	-0.1%
	Robeco SDG Credit Income (USD)	6.6%	No official benchmark
	Robeco SDG High Yield Bonds (EUR)	6.3%	-1.0%
	Robeco Sustainable Global Bonds (EUR)	0.0%	-1.6%
Multi-Asset	Robeco ONE Neutraal (EUR)	14.0%	No official benchmark

5. We select the largest fund per investment strategy.

Trends in the industry

In 2024 key trends[6] in the asset management industry were:

Growth trajectory
The asset management industry is expected to grow further in the coming years, albeit at a slower pace than recently.

Active versus passive investing
Passive investing has grown tremendously in recent years as investors have been seeking market-like returns at low cost. More recently, however, there have been significant inflows into active strategies once again, especially in fixed income.

The rise of active ETFs in Europe
Active exchange-traded funds (ETFs) continued to increase in prominence in Europe in 2024, with new entrants to the market (including Robeco) and further growth in assets under management. Investors are increasingly being drawn to active ETFs for the potential for extra performance they provide compared with traditional passive ETFs, and for their lower cost and higher liquidity than traditional active mutual funds.

Alternative investments
Alternative investments are well positioned to claim a larger share of total industry assets under management. What's more, they are projected to make a significant contribution to asset managers' revenues as investors seek to further diversify their portfolios.

Sustainable investing
There has been a backlash against ESG integration in recent times, and this looks set to continue given the change in US administration in 2025. However, sustainable investing is still receiving strong support from regulators, clients and parts of society. As the industry and regulations evolve, it will become clear which sustainable investing strategies contribute to achieving clients' objectives and which do not.

Fee pressure
Average fees have come down significantly in recent years, and there are no signs that this trend will reverse. Continued tight monetary policy and general market uncertainty have resulted in investors moving into lower-cost products.

Artificial intelligence
The use of generative AI and other forms of artificial intelligence is expected to advance rapidly in the coming years as these technologies are put to work in a range of new applications.

Need for scale/consolidation
We expect to see more partnerships between asset managers and asset owners as these collaborations aim to increase firms' scale and capabilities to position themselves favorably for the future.

6. Sources:
- BCG (2024). AI and the Next Wave of Transformation. Global Asset Management Report, 22nd Edition
- Deloitte Insights (2024). 2025 investment management outlook
- KPMG (2024). KPMG 2024 Asset Management CEO Outlook
- McKinsey (2024). Beyond the balance sheet: North American asset management 2024. Financial Services Practice.
- McKinsey (2024). Nine key observations about the European asset management industry. Financial Services Practice.
- Oliver Wyman (2024). 10 Asset Management Trends for 2024.

Our operating environment and financial market outlook

Despite facing high interest rates, ongoing wars in Europe and the Middle East and considerable political uncertainty, and with a fifth of the world's population voting in general elections in 2024, global real GDP grew by 3.2% in 2024, up from 2.8% in 2023, according to estimates by the Organization for Economic Co-operation and Development (OECD)[7].

Remarkably, efforts by central banks to get inflation back to 2% did not lead to a significant rise in unemployment. However, the divergence in real economic activity among developed countries increased over the year. The US economy once again outperformed others, growing by 2.8%–above its long-term trend level. The eurozone economy, by contrast, came close to a recession. In fact, Germany's economy, the largest in the region, contracted by 0.2% in 2024 against a backdrop of high energy costs, increasing export competition and a wary domestic consumer[8].

European consumers adopted a cautious stance over the year, increasing their excess savings, whereas the US household savings rate fell further, resulting in another strong year for US consumption. The US economy also received support from the government's expansionary fiscal policy stance, with a historically large US budget deficit.

The fortunes of services and manufacturing continued to diverge, with global manufacturing contracting, whereas services expanded further. Unemployment among the 38 member countries of the OECD remained historically low at 4.9%[9] despite advances in artificial intelligence and monetary policy remaining tight. A surprising increase in US unemployment to 4.2% in July, led to considerable volatility in the financial markets, and proved to be a red herring. The impact of divergence in services and manufacturing showed up in inflation figures in 2024. Inflation fell over the year, partly as a result of cooling demand from Western consumers, China's lingering excess industrial capacity and easing strains on supply chains. But while goods inflation was in negative territory, services inflation remained elevated by historical standards throughout the year. As a result, consumer price inflation remained above target in most G20 economies, with the notable exception of China.

This meant that core inflation remained uncomfortably high, so developed market central banks adopted a cautious approach to cutting rates in the second half of 2024. The Federal Reserve's first cut was a 50 basis points (bps)[10] move in September, but over the remainder of the year it only made two more 25 bps cuts. Although the ECB had more scope to cut rates as eurozone headline inflation temporarily dipped below 2% in the second half of the year, services inflation proved stubborn, ending the year at 4%[11]. Japan's central bank, by contrast, raised its policy rate by 35 bps[12] over the course of 2024 (from -0.1%[13]) as it became more confident that the country is putting its long period of deflation behind it.

China's economy, however, showed mounting signs of deflation, with headline inflation ending 2024 at just 0.1%[14]. Millions of unsold homes continue to exert downwards pressure on house prices and local developers' balance sheets, inhibiting domestic consumption growth. China's government adopted a piecemeal approach to stimulus for much of 2024, but in December it signaled a more determined stance consisting of moderately loose monetary policy and a more proactive fiscal policy.

7. GDP growth (annual %) | Data
8. Gross domestic product down 0.2% in 2024 – German Federal Statistical Office
9. Unemployment rate | OECD
10. Federal Funds Effective Rate (FEDFUNDS) | FRED | St. Louis Fed
11. LSEG Datastream
12. LSEG Datastream
13. LSEG Datastream
14. LSEG Datastream

Outlook for equity markets

2024 proved to be another very strong year for risky assets thanks to ample liquidity, central banks starting to cut rates and optimism about the impact of artificial intelligence. With the US at the heart of this technology, the US market outperformed, resulting in concentration in global equity markets hitting new highs. The MSCI World rose by 26.6%[15] in euro terms over the year, with the US equity market responsible for the bulk of this performance.

The so-called 'Magnificent Seven' companies still account for almost a third of the market value of the S&P 500[16], even though they have fallen sharply in the first months of 2025. With the valuations of technology companies still high, history suggests they could have further downside potential: in the past, high starting valuation levels have consistently signaled lower returns over the medium term and coincided with steeper peak-to-troughs during periods of market volatility. The release of DeepSeek, a Chinese large language model that is viewed as a cheap competitor to US AI models, has shown that US tech companies are now facing challengers from elsewhere and need to innovate to stay ahead of the pack.

US President Trump's announcement of tariffs on 2 April clearly shocked the markets. Whereas they initially assumed references to tariffs by the Trump administration were only a negotiation tactic, the swift implementation of 10% universal tariffs and reciprocal tariffs have clearly shown this view was mistaken, leading to plunging stock prices. Given these developments, the global economy, and the US economy in particular, face a scenario of lower real activity combined with rising inflationary pressures as tariffs start to bite and trade war unfolds. As a result it looks like it will become significantly more challenging for US companies to grow their earnings in line with previous forecasts. Consequently, we now anticipate US earnings growth to be in the low single digits in 2025, with the risk of it being even lower.

Outlook for bond markets

Ten-year government bond yields in the US and Eurozone were up overall in 2024 despite falling sharply in the run-up to the 50 bps rate cut by the Federal Reserve in September. Their renewed rise over the remainder of the year was largely related to the impending change in US government, which prompted financial markets to scale back their expectations of further rate cuts in the US. Credit spreads over government bonds tightened for most of 2024, except between June and August.

US government bond yields fell in the first few months of 2025 due to concerns about economic growth, whereas long-term European yields rose sharply on the back of European countries announcing major defense spending initiatives and Germany also making clear its intention to make massive infrastructure investments.

Volatility in the government bond – especially US Treasury – markets increased early in the second quarter of 2025, primarily due to US tariffs leading to concerns about a potential economic downturn. In this environment, the potential for shorter-dated government bond yields to rise appears limited as it looks like central banks may cut rates further in the coming months. It also looks possible that yield curves could steepen further, both in the Eurozone and the US, as a result of uncertainty about the path of inflation and recent fiscal developments. Given the current uncertain backdrop, government bond markets are likely to remain volatile.

On the credit side, the fundamentals of investment-grade-rated companies are generally still robust, with typical measures of corporate health such as net leverage and interest coverage suggesting there should be little cause for concern overall. However, credit spreads over government bonds have widened in the wake of the tariff announcement in the US. In this environment we remain cautious, focusing on companies with stronger fundamentals. From a regional perspective, we prefer European issues to those from the US.

Outlook for sustainable investing

The aforementioned ongoing geopolitical uncertainty and pockets of ESG backlash have implications for sustainable investing, with the possibility that sustainability initiatives are deprioritized by some corporations. However, we believe that sustainable investing with a longer-term horizon is still well positioned to look beyond the short-term challenges though the timing of opportunities and pace of development may vary by sector and especially region.

Decarbonization of the global economy will remain the primary, though not sole, focus of sustainable investors and our research and interactions with clients show that net-zero committed investors take a long-term perspective and remain pledged. We believe net-zero initiatives will follow the same pattern as most learning curves: an initial peak, followed by a trough, before moving to a slope of enlightenment toward productivity.

More targeted SI approaches should also provide investment opportunities with the "Transition" theme in particular offering a larger opportunity set than more traditional definitions of "sustainable". This approach is facilitated by changes to sustainability fund naming guidelines in Europe in 2025. It can be used in both equity and fixed income approaches.

We expect green bonds to remain the label of choice for many issuers of sustainability-related bond instruments and in transition financing. Europe remains at the forefront of labeled bond issuance and the market has matured with a more diversified range of issuers. We expect further diversification of the market in 2025, mainly driven by issuers from emerging markets and hard-to-abate sectors such as chemicals and construction machinery.

15. Bloomberg
16. LSEG Datastream

Corporate outlook

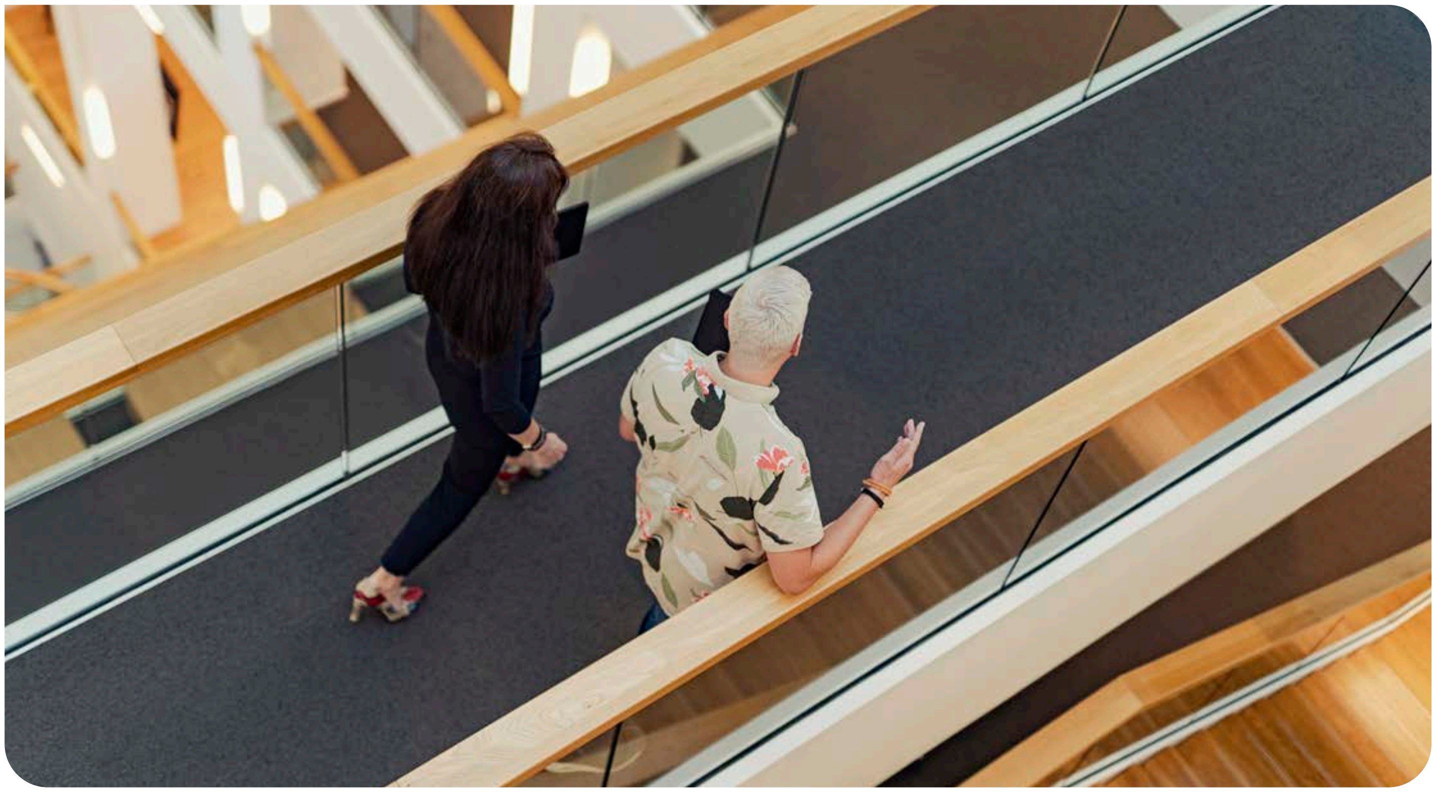
On the one hand our diversified book of business, both in terms of our investment and distribution capabilities, reduces the volatility of our profits. But on the other, as an asset manager, our exposure to general market developments inevitably remains high.

Robeco's one-year outlook predicts another complex year for the global economy with mixed signals and multifaceted dynamics, highlighting how quickly momentum can change in today's data-driven world. These market developments will continue to affect Robeco's performance in 2025. In 2025 we expect our revenues and profits to grow, although general market movements in the first part of any year have a relatively large impact on annual profits.

In 2024 we started to reap the first rewards of our new global sales strategy, which we implemented in 2023. We expect this positive momentum to continue in 2025. But investor sentiment, especially in the wholesale segment, is likely to influence our sales in the short term.

As ever, we remain dedicated to strengthening our range of research-based, innovative and sustainable investment solutions. We will also continue to invest in staff, technology and research. In 2025 our Accelerate leadership program will focus on embedding our three leadership priorities and the supporting key concepts in our daily working lives. In support of our Digital Foundation Program we will continue to focus on our data platform, ensuring that Robeco data is easily accessible to appropriate internal users. We will continue to explore new ways to use AI to improve our existing processes and develop new capabilities, and we will look to directly exchange data with our clients through our data platform.

2025 marks the end of our current 2021-2025 corporate strategy. In 2024 we began drafting our new corporate strategy. It will build on the current strategy, but will take a 10-year perspective, with the path towards our goals mapped out in shorter three-year plans, enabling us to adapt to developments as they occur. In 2025 we will communicate our first three-year plan as part of our corporate strategy update. We expect the updated strategy to further enhance our financial resilience.



Strategy and value creation

Our strategy

We have developed our corporate strategy based on our key strengths and the interests of all our stakeholders. We have both financial and strategic ambitions for how Robeco can grow sustainably and ensure we remain resilient in the face of future challenges.

Strategic context

We are mindful of the key long-term trends facing the asset management industry, which include the importance of scale, increased regulation, technological progress and shifting attitudes toward sustainable investing. Meanwhile, a scarcity of talent is making it difficult to attract and retain skilled people.

Focus areas

We have identified four strategic focus areas through which we believe we can add value for our clients and other stakeholders.

Clients and Distribution

We are strengthening our foothold in the markets in which we are already present and expanding into new markets. This involves strengthening existing capabilities and broadening our offering of research-based innovative and sustainable investment solutions. It also involves enhancing our delivery mechanisms by, for example, establishing an active ETF platform.

Investments and Products

Our goal is to deliver high-quality, research-driven, innovative investment strategies and products that cater to our clients' needs. Our range of products focuses on our key strengths: sustainable investing, quantitative investing, thematic investing, credits and emerging markets.

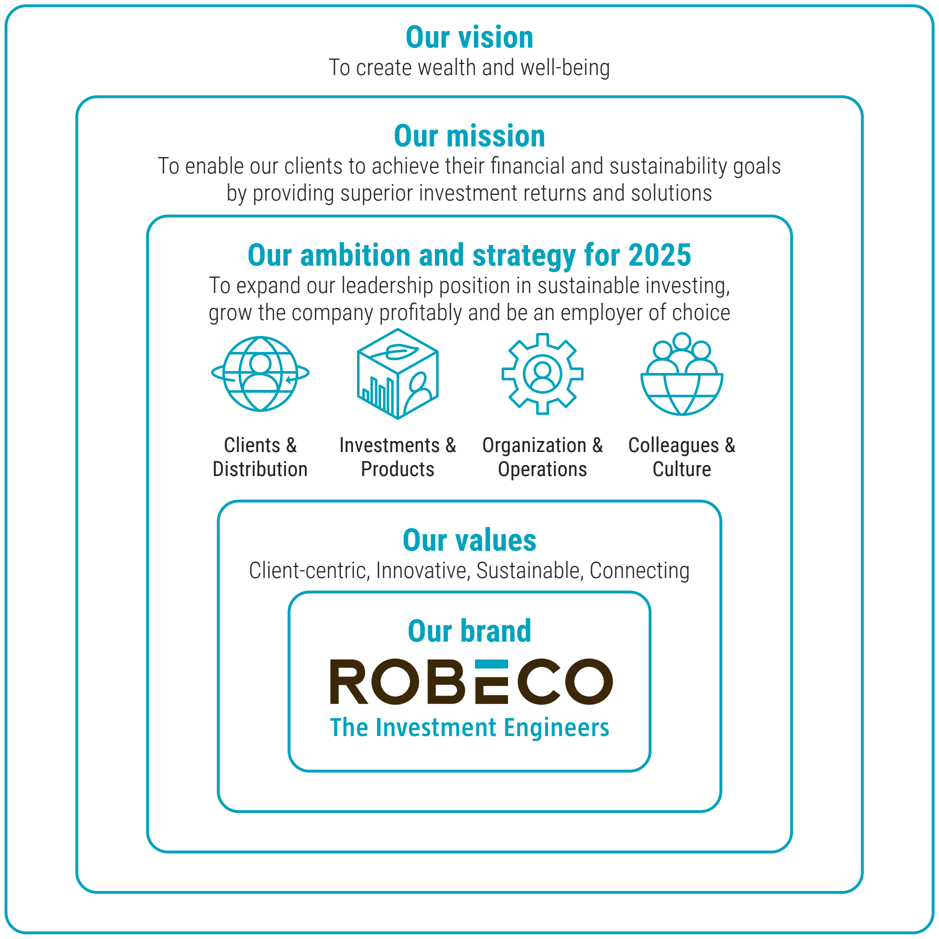
Organization and Operations

We are enhancing our operational robustness and our organization's scalability, and are continually seeking ways to increase revenue while managing costs.

Colleagues and Culture

We aim to be an employer of choice, and to help us achieve this we emphasize diversity, equity, inclusion, leadership development and a sustainability mindset. We are guided by our shared values of being: client-centric, innovative, sustainable and connecting.

Figure 1 | An overview of our strategy



Risk exposure

Successful execution of our strategy depends both on internal factors, such as financial, operational and compliance risks, and external factors, such as market movements, client expectations and regulation. We have a well-diversified book of business and are present in markets around the world. We believe we are well positioned not only to face market challenges, but also to seize opportunities as they arise.

→ *Read more about how Robeco manages the risks it is exposed to in the Risk management section*

Available opportunities

Next-gen quant

Robeco is increasingly involved in the field of next-gen quant investing, which takes traditional quantitative investment strategies a step further by incorporating the use of alternative data and new techniques such as machine learning and natural language processing. In 2024 we launched our Dynamic Theme Machine equity exchange-traded fund (ETF), which incorporates next-gen quant techniques in its investment process.

Active ETFs

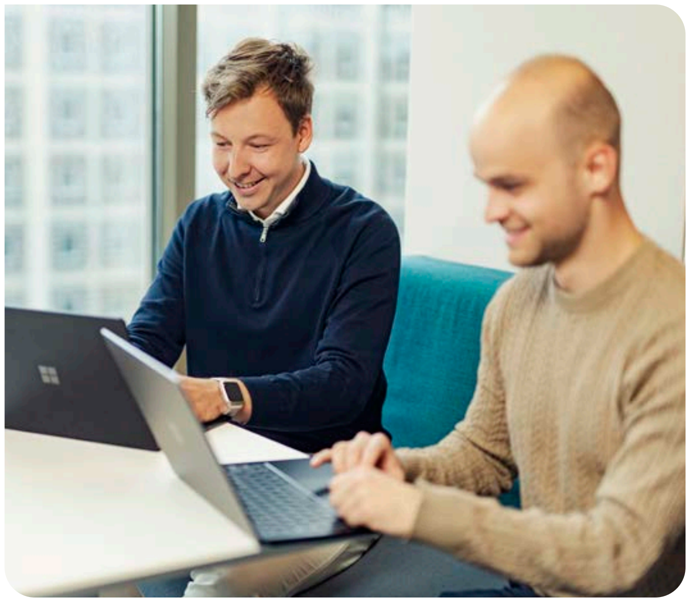
Assets in actively managed ETFs have increased rapidly in recent years due to their potential to outperform the market while maintaining many of the benefits of passive ETFs, such as the ability to be traded throughout the day and lower costs than traditional active strategies. Given our expertise in both quantitative and fundamental investments, we believe we are well placed to offer clients high-quality active ETFs, and are as such developing a range of these vehicles. Our first launches came in October 2024.

Sustainable investing

At Robeco we pride ourselves on being at the forefront of sustainable investing, having been involved in this field since 1995. Today, we integrate sustainability to varying degrees across our range of investment products. We integrate financially material ESG considerations in almost all of our products, and have developed a range of investment strategies that aim to invest in companies that create positive impacts on the environment or society. Active ownership is core to our approach as we seek to influence companies to improve their sustainability practices.

Our thematic strategies provide our clients with targeted exposure to investment themes that we believe will provide strong growth potential over multiple years and market cycles. Our thematic range has a strong focus on sustainability while aiming to deliver competitive financial returns. The thematic equity strategies are based on three megatrends that we have defined –Transforming Technologies, Changing Sociodemographics and Preserving Earth.

We have developed robust sustainability frameworks and policies, including our Sustainable Development Goals (SDG) Framework and forward-looking climate metrics. These guide our sustainable



investment processes and ensure alignment with global sustainability standards. Our climate-focused strategies are designed to address global warming and biodiversity loss. We incorporate forward-looking climate analytics and aim to achieve net-zero emissions for our total client assets by 2050.

In 2024 we once again received the highest possible scores for all assessed modules for sustainable investing from the Principles for Responsible Investment (PRI)[17]. We provide solutions for clients wherever they are on their sustainability journey, helping them find the right balance between risk, return and sustainability. With our continued recognition as a leader in sustainable investing, we believe we are well positioned to capitalize on the growing demand for sustainability-oriented investment strategies, especially within the more nascent sustainable investing markets.

→ *Read more about sustainable investing in the Sustainable investing solutions and Stewardship sections*

Future plans

Our continued commercial success relies on our ability to make good decisions about where to allocate our human, financial and intellectual capital. We need to balance these allocations to ensure the continued integrity of all our processes while also making sure that we are well placed to face future challenges. An example of our future-proofing activities is our continued investment in IT systems for ESG data. In 2024, we expanded our new data platform to handle increased data volumes and make it available to more people within our company.

→ *Read more about our Technological innovations*

Over the medium to long term, we will continue to seek to improve our competitive position in a consolidating asset management market by increasing our scale. Although we are still following our 2021-2025 corporate strategy, we are already developing our plans for 2026 and beyond.

17. In 2024 Robeco also received the Morningstar award for "Best Asset Manager – Sustainable Investing" in Belgium and we were nominated in the same category in Luxembourg, the Netherlands and Germany.

Material topics linked to our strategic ambitions

Robeco helps its clients to achieve their financial and sustainability goals by aiming to provide superior investment returns and solutions. We have a long-term focus on value creation and consider the interests of all our stakeholders. Balancing financial and sustainability goals requires a comprehensive materiality assessment, enabling us to achieve both aims in our strategy execution. In doing so we consider material topics from two perspectives: our investments and our own operations.

Robeco's 2021-2025 strategy[18] focuses on three core objectives: expanding our leadership in sustainable investing, growing profitably and being an employer of choice. Our material financial and non-financial topics are relevant to all three of these pillars.

1. Leadership in sustainable investing

Climate change, nature, social issues and ESG data quality are all material topics for our sustainable investment strategy. By managing the impacts, risks and opportunities these topics involve, we seek to enhance the long-term investment returns we achieve for our clients and the value we create, as detailed in Our investing strengths chapter.

2. Profitable growth

Material financial topics, including our financial performance and resilience, underpin Robeco's ambition to achieve profitable growth. Financial performance refers to both the performance of the assets we manage and Robeco's own financial results, and reflects Robeco's ability to generate investment returns, manage costs and ensure we are profitable. Financial resilience involves anticipating, withstanding and recovering from financial shocks and making sure the company is stable over the long term and still able to create value. This involves sound risk management, setting sustainable growth priorities and ensuring we are adaptable to market fluctuations and regulatory changes. Details can be found in the Financial Statements.

3. Employer of choice

Our commitment to employee wellbeing, diversity and talent development supports our ambition to attract and retain talented, motivated staff. Evidence of this includes our programs for enhancing professional growth, inclusive workplace initiatives and employee retention rates, which we provide further details on in Our workforce section. Our business conduct guidelines provide clarity on the levels of behavior we expect in terms of integrity, compliance, taxation and good governance (more details in the Business conduct and compliance section). These guidelines promote accountability and ensure that all our employees uphold Robeco's shared standards. By fostering a culture of trust and transparency, good business conduct contributes to an ethical work environment that reinforces Robeco's reputation as an employer of choice.

Strategic integration of material topics

By linking the below material topics with our strategy, we ensure that our impacts, risks and opportunities are fully embedded in our business model, supporting both our financial success and our sustainability objectives.

Table 3 | Aligning Robeco's material topics with each of its strategic ambitions

	Strategic pillars		
	Sustainable investing	Profitable growth	Employer of choice
Material topics	• Climate change • Nature • Social issues • ESG data quality	• Financial performance • Financial resilience	• Our own workforce • Business conduct

18. We have developed our corporate strategy based on our key strengths and the interests of all our stakeholders. In the current 2021-2025 strategy, no amendments have been made, no further steps are planned, and no changes to stakeholder relationships or views are expected. In 2024 we did start with the development of our strategy for 2026 and beyond.

How Robeco creates value

We aim to generate value in two primary ways: first, indirectly through our investments in companies, which contribute to economic growth and job creation. Integrating sustainability considerations in our investment decisions can also create positive (indirect) impacts. Second, we create direct value as we aim to generate returns on investments for our customers and shareholder. We also provide our employees with career opportunities and a safe, inclusive working environment.

We are aware that our investment activities may potentially have indirect harmful impacts, so we follow rigorous investment guidelines, analyze any controversial behaviors the companies we are considering investing in might be involved with, and adopt active ownership practices with the aim of persuading the companies we invest in to minimize any negative impacts they may be responsible for, in line with the sustainability profiles of our products.

→ *Read more about our Sustainable Investing strategy*

Value creation model

Our value creation model shows our strategy to create value to our stakeholders. It is aligned with the International Integrated Reporting Council's (IIRC) framework, which takes into account financial, human and intellectual, social and relationship, and natural and manufactured capital. The resources we have available in these areas (our input into the model) are as follows:

- Financial capital consists of our total client assets and client fees.
- Human and intellectual capital consists of our employees' time, skills and expertise; training and development programs; and data and software.
- Social and relationship capital consists of our interactions with our stakeholders, such as relationships with our clients and suppliers. We also engage with various stakeholders in industry networks, participate in external collaborative initiatives and maintain relationships with relevant regulators and NGOs.
- Lastly, we make use of natural and manufactured capital through our offices, IT infrastructure, consumption of energy, water and other resources.

Through our business activities, we transform these inputs into value and (indirect) impact, in line with our mission and vision. Our operations are guided by our core values, and our products (the funds, mandates and indices we manage) are based on in-depth research and high-quality data. Our governance system involves a clear set of rules, practices and processes that ensure we consider the interests of all our stakeholders and align the risks we take with our risk appetite.

We incorporate sustainability at every stage of our value creation model, impacting our relationships with employees, clients, shareholders, the communities we engage with and society at large.

We aim to deliver a financial return on investment to our clients and shareholder. Inputs in the area of human and intellectual capital translate into high employee engagement, effective research and development and relevant intellectual property. Key outputs related to social and relationship capital are our stewardship activities (engagement and voting). Our stewardship activities are also relevant to manufactured and natural capital, where we see an indirect impact via our engagement themes and investment policies.

By making it possible to evaluate the contribution to each Sustainable Development Goal (SDG) of any issuing company or country in our investment universe, our SDG Framework plays a crucial role in shaping our sustainability-oriented investment strategies. It also helps us invest more in companies and countries making a positive impact and avoid those making a negative impact. Likewise, in our own operations, we prioritize the measurement and management of our social, environmental and economic impacts on both people and planet, aligning with our commitment to advance the SDGs.

A conversation with our CEO
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Financial statements

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Figure 2 | Our value creation model

Our input

Financial
- EUR 214.1 billion total client assets
- EUR 798.9 million of client fees

Human & intellectual
- 1,057 employees (time, skills and expertise)
- Training and development
- Data & software

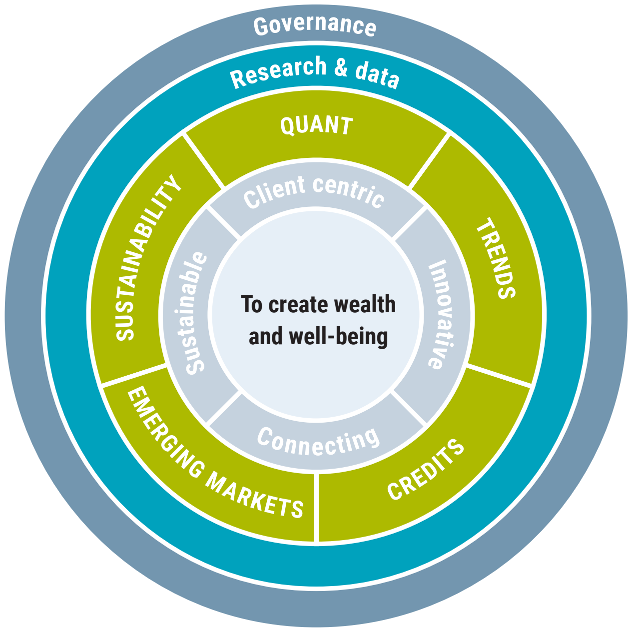
Social & relationship
- Clients (institutional and wholesale)
- Business partners
- Industry networks
- Collaborative partnerships
- Other key stakeholders such as regulators and NGOs

Manufactured & natural
- 15 offices using 2,763 MW of electricity
- IT Infrastructure
- Business travel emitting 2,671 tonnes CO_2e

Our business model

ROBECO
The Investment Engineers

Our mission
To enable our clients to achieve their financial and sustainability goals by providing superior investment returns and solutions



The value we create

Financial
- Net result: EUR 115.0 million
- 63% of portfolios outperformed their benchmark (3 yr period)

Human & intellectual
- Employee engagement score: 7.6
- Research and development
- Intellectual property

Social & relationship
- 23 engagement themes
- 324 engagement cases
- 6,655 shareholder meetings voted

Manufactured & natural
- Impact via engagement themes and investment policy (e.g. commitment to net-zero roadmap and exclusions)

Outcome for our stakeholders

Customers
We enable our clients to achieve their financial and sustainability goals by providing superior investment returns and solutions

Shareholders
We help ORIX to enhance their services and pursue their growth ambitions as a diversified multinational financial group

Employees
We empower our employees to reach their full potential in an inspiring, engaging and respectful work environment

Business partners & society
We aim to contribute to real-world positive impact, for example via our active ownership activities; we share our knowledge on sustainable investing with stakeholders and the wider public; and we support communities where we have a presence

Stakeholder dialogue | client feedback | employee survey

Stakeholder engagement

At Robeco, we engage with our stakeholders to maximize the long-term value we create while contributing to sustainable economic, social and environmental progress. We define our stakeholders as any group or individual impacted by our business activities, or that may influence our ability to create value over time. Our stakeholders are as follows:

- Our clients are key stakeholders. We strive to provide exceptional services and offer a range of investment solutions that address their needs.
- ORIX Corporation, our shareholder, plays an important role in overseeing Robeco. We collaborate with ORIX to enhance its asset management services and support its growth ambitions.
- Our employees are essential to Robeco's success. We invest in their personal development; promote diversity, equity and inclusion; and prioritize their wellbeing by fostering a safe, healthy and inclusive work environment.
- Our broader stakeholder group includes business partners and society at large, including suppliers, the companies we invest in, local communities, governments, regulators and non-governmental organizations (NGOs). We engage with them through various channels to help us understand their concerns and expectations.

We seek input from all our stakeholders and, wherever it is feasible to do so, incorporate their perspectives in our decision-making, strategy and reporting processes.

In 2024 we did not identify any stakeholder-related issues that required us to adjust our strategic plans in the short term. The time horizon of our current 2021-2025 strategy ends next reporting year. In 2024 we initiated a stakeholder engagement to garner input for an update to our corporate strategy. We will provide more information on this update in our 2025 report.

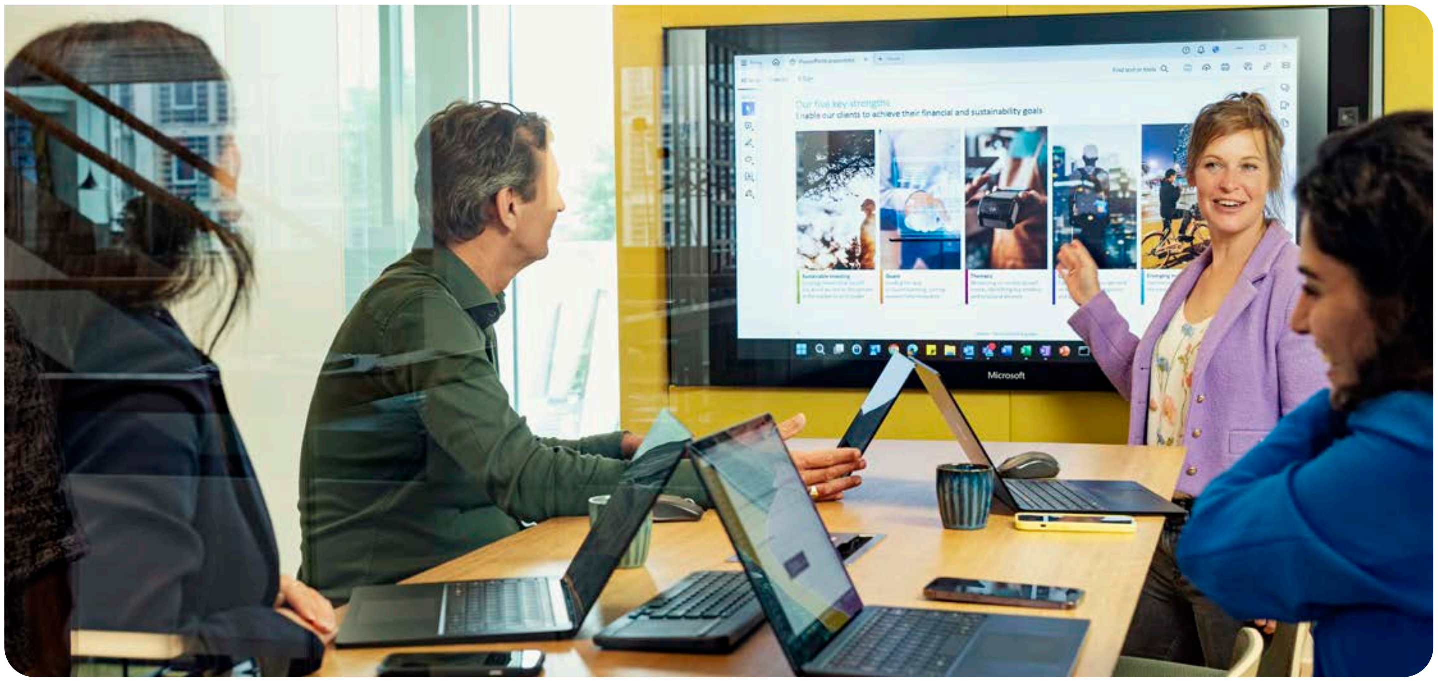


Table 4 | Stakeholder engagement and key highlights[19]

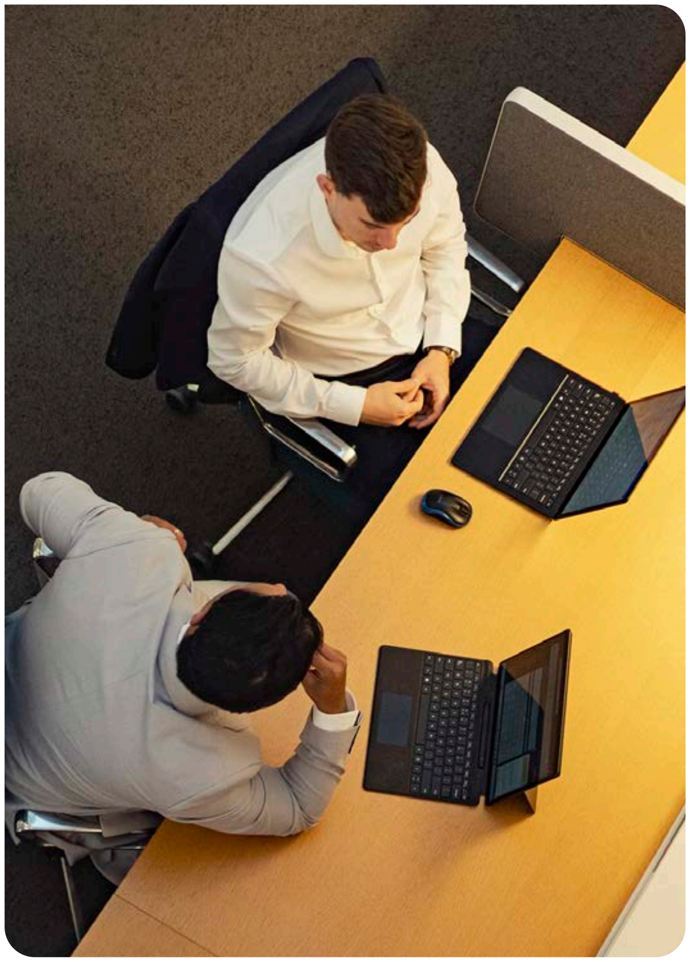
Stakeholder group	Examples of how we engage	Key highlights in 2024
Clients	• Maintain regular contact with clients to keep them informed of relevant developments • Conduct client queries • Schedule face-to-face review meetings • Provide clients with relevant data to ensure they can make informed investment decisions	• In 2024 we set up the 'Voice of the Client' process, through which we interview newly onboarded and offboarded clients and a number of our largest existing clients. Our aim is to find out the expectations and needs of our clients so that we can align our services accordingly
Shareholder	• ORIX, through ORIX Corporation Europe (OCE), is involved in shareholder approvals in accordance with Robeco's articles of association and Dutch corporate law • Regular management meetings between Robeco and ORIX • Regular reporting to ORIX on risks and financial matters	• Monthly knowledge-sharing sessions on financial performance, risk management and strategy
Employees	• Employee Engagement Survey • Learning and development opportunities for employees • Meetings with Works Council and other employee representative groups • Employee Resource Groups • Confidential counselor	• Roll-out of Accelerate program • Introduction of internal confidential counselors • Celebration of Robeco's 95-year anniversary • Simplification of reward framework in the Netherlands • Conducted our first inclusion survey, enabling colleagues to share DE&I information voluntarily
Business partners & society	• Dialogues with industry bodies and regulators • Close collaboration and partnerships with NGOs, such as WWF-NL, and academia • Active ownership in the form of voting at and engagement with the companies we invest in • Contributing to our communities in three ways: the Robeco Foundation, volunteering and social commitments • Contributing to a healthy and sustainable society by being a responsible taxpayer	• Responded to several questionnaires and participated in information sessions on new regulations • Participated in public policy discussions via the Dutch Fund and Asset Management Association (DUFAS) and the European Fund and Asset Management Association (EFAMA) • Renewed our partnership with WWF-NL • Engaged with companies we invest in on 23 themes • The Robeco Foundation initiated partnerships with local charities

19. Please note this is intended to be an overview only; it does not provide an exhaustive list of topics discussed during the year

Our value chain

In line with the Corporate Sustainability Reporting Directive (CSRD), we distinguish three segments in our value chain.

Own operations
Centrally positioned in our value chain, our own operations are where we work to help our clients achieve their financial and sustainability goals through the investments they make with us. Material topics here are financial performance and resilience, our own workforce and business conduct.



Downstream value chain
Our clients (institutional investors and wholesale clients) represent the downstream segment of our value chain. Assessing the impact of our downstream value chain is complex and involves considering not just impacts on our clients, but also the effects of the investments we make on their behalf. Although we do not directly own these investments, we are responsible for allocating client assets in the investment products we manage. Material topics in this segment of our value chain are climate change, nature, social issues and ESG data quality.

Our downstream impact is indirect and our ability to report on the effects of the investments we make is constrained by regulatory requirements and the willingness of the firms we invest in to publicly disclose relevant performance indicators.

The absence of a standardized agreement on what constitutes an asset manager's value chain complicates matters, as some exclude their (indirect) impacts resulting from the activities of the companies they invest in in their materiality assessment and related reporting. We choose to be as transparent as possible by including the companies we invest in and emphasizing our belief in active ownership. However, we acknowledge there are limitations on what we can report. We remain vigilant in monitoring developments and will incorporate any sector-specific guidance in our approach as it emerges.

Upstream value chain
This concerns our suppliers, which provide us with products and services that support our core processes. In the context of our asset management business, the impacts within our upstream value chain are limited and primarily confined to services such as back-office activities, transport, research and data centers.

There were no significant changes to Robeco's size, structure, ownership or supply chains in 2024.

Our stakeholders

We value our interactions with all our stakeholders. In this section we share some information on how we engage with our key stakeholder groups: our clients, our shareholder, our people, our business partners and society.

Our clients and products

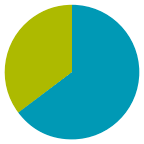
We provide services to two types of clients:

1. **Institutional investors**, such as pension plan sponsors, pension-related insurance companies and public institutions including sovereign wealth funds and central banks.
2. **Wholesale clients**, such as global financial institutions, fund platforms, and large private wealth managers.

Figure 3 | Breakdown of assets

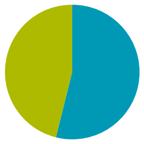
Assets under management (AuM): EUR 201.7 billion

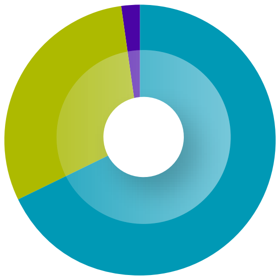
Institutional clients	Wholesale clients
131.0	70.7



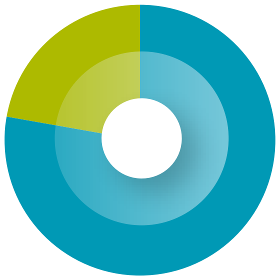
Assets under advice (AuA): EUR 12.3 billion

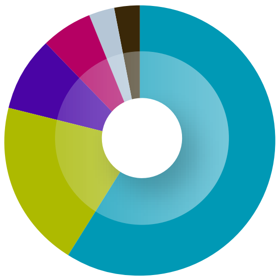
Institutional clients	Wholesale clients
6.7	5.6



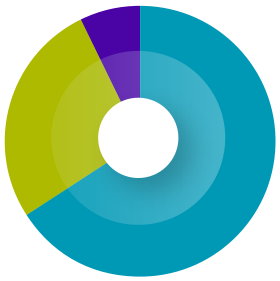


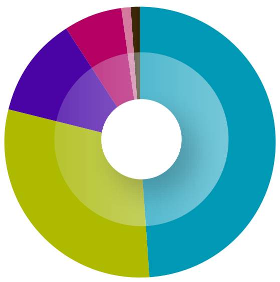
Asset classes	AuM	AuA
Equities	68%	78%
Fixed income	30%	22%
Balanced	2%	0%



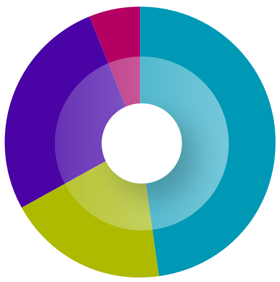


Clients by region	AuM	AuA
Europe ex UK	59%	66%
Asia-Pacific	20%	27%
United Kingdom	9%	7%
Americas	6%	0%
Middle East	3%	0%
Africa	3%	0%





Client type breakdown	AuM	AuA
Banks & other financials	49%	48%
Pension funds	30%	19%
Official institution	12%	27%
Insurance	7%	6%
Corporate	1%	0%
Foundation/endowment or other	1%	0%



Investment strengths and products

The range of investment products we provide is based on our five key strengths:

- Quantitative investing
- Credits
- Emerging markets
- Thematic investing
- Sustainable investing

Robeco's product range consists of 160 investment funds[20], which are grouped into 37 strategy types that integrate sustainability to varying degrees. We launched 19 funds and closed 13 in 2024.

→ *Read more about our key investing strengths and our products*
→ *Read more about how we integrate sustainability*

Our clients

We put our clients first in everything we do. We always act in their best interests, doing our utmost to form long-term relationships based on integrity and trust while striving to achieve superior risk-adjusted investment returns on their behalf. Making sure we fully understand our clients' needs, goals and visions is vital if we are to achieve these aims.

We always explain all the investment options available to our clients and the potential outcomes of the decisions they take. This enables them to make informed choices in their best interests.

We are in regular contact with our clients to keep them informed about relevant developments and to ensure that the service we are providing remains in line with their evolving needs. This includes promptly responding to any queries they may have and conducting face-to-face review meetings. We also provide them with high-quality reporting that contains wide-ranging information about their investments with us.

Our reports often form the basis for further discussions. These can sometimes lead to our clients making changes to their portfolios, such as adjusting their risk-return characteristics or switching to lower-carbon investments.

We balance our clients' goals of return, risk and sustainability by listening to their objectives and tailoring the outcome accordingly. For example, in 2024 we collaborated with clients to accelerate their transition to net-zero investing and continued expanding our range of climate-aligned investment solutions to help them do so. We also launched a program called 'Voice of the Client', through which we gather client feedback to help us continually improve the services we provide them with.

VOICE OF THE CLIENT

In 2024 Robeco launched a program called 'Voice of the Client' to help us gather client feedback on a continuous basis. We use this feedback to make sure we align our services with our clients' expectations and needs. It also provides inspiration for new services that we could provide.

The process involves senior sales representatives interviewing a selection of key clients from around the world, including newly onboarded and offboarded clients. In 2024 we interviewed 36 clients.

The feedback we received was very positive, with clients giving the services we provide a rating of 4.5/5 and many indicating that they would recommend Robeco to their peers. Our findings included that our clients recognize the quality of our service and our responsiveness. Based on the feedback we received we made further improvements to our client reporting.

CLIENT CASE: ST. JAMES'S PLACE

St. James's Place is one of the largest wealth management firms in the UK. We started providing it with an exclusion list and engagement services linked to specific sustainability themes in 2021. Prior to this there was an extended period of dialogue between our companies to understand our respective businesses and the benefits working together could bring.

In the ensuing years Robeco and St. James's Place have engaged in regular and ad hoc dialogues to discuss not just the services we provide, but also other topics linked to sustainability (such as portfolio decarbonization) and investments (such as our quantitative investment expertise).

The relationship developed further in 2023 and 2024 as we brought together input from across our Quantitative Equity business, Sustainability Investing Centre of Expertise and other areas of our company to develop two tailored quantitative equity solutions, one investing in European equities and the other in emerging market equities. They are designed to outperform their respective markets within a risk-controlled framework.

When interviewing St. James's Place representatives through our Voice of the Client program it was extremely satisfying to hear their positive feedback about all aspects of our relationship.

20. In response to ESRS 2 SBM 1 40 a iv, we can confirm that none of our products have been banned in any markets.

Outlook

In 2025 we will carry on running our Voice of the Client program to stay updated on our clients' views and help us continue to provide them with a high-quality service. We believe this will lead to deeper engagement, lasting relationships, greater satisfaction and, mutual success. We will also continue collaborating with clients to accelerate their transition to net-zero investing.

Our shareholder

Robeco is wholly owned by ORIX Corporation Europe (OCE), a subsidiary of ORIX Group. ORIX Group is a Japanese business conglomerate that dates back to 1964. ORIX Group's stated purpose is: "Finding Paths. Making Impact." and it seeks to put this into practice in a range of businesses around the world. ORIX operates in financing and investment, life insurance, banking, asset management, leasing, real estate, concession businesses (such as operating airports), the environment & energy, automobile-related services, industrial/ICT equipment and ships & aircraft.

Through its subsidiary, OCE, ORIX oversees Robeco's activities. This includes ensuring that Robeco has put in place an appropriate control framework for risk management, compliance, legal matters, tax, audit and financial reporting.

OCE oversees the management of its various operating companies, including Robeco, under a holding company structure. This ensures that activities at the holding company level are kept separate from the asset management and investment activities of OCE's operating companies. The management boards of the operating companies liaise with OCE as their shareholder. OCE helps Robeco develop new products by providing financing for its seed capital.

ORIX appreciates Robeco's long investment track record, wide product range and status as a leader in sustainable investment. As such, Robeco provides clear added value to ORIX's portfolio of asset managers. Looking ahead, ORIX sees scope for Robeco to expand its existing strengths in sustainable investment and other fields.

Our people

Robeco is committed to fostering a diverse, inclusive and sustainable work environment that supports the wellbeing and professional growth of our employees. Our policies ensure that we provide all our employees with comprehensive benefits, fair remuneration and flexible working arrangements, all of which are important in contributing to a healthy work-life balance. We actively promote diversity, equity and inclusion (DE&I), with our dedicated DE&I Board overseeing initiatives to create an inclusive culture in which all our employees feel valued and empowered. We also seek regular feedback from our staff members through employee surveys, works councils and conversations with country managers or members of our HR department. This enables us to adapt our practices to meet their evolving needs, helping us attract and retain talented individuals and in turn strengthen our company.

→ *Read more about our people in the Our own workforce section*

Business partners and society

Our broader stakeholder group encompasses a diverse range of entities that represent our business partners and society at large. These include the companies we invest in, vendors and the communities in which we operate. In the following subsections we offer insights into our relationships with these groups and how we collaborate with them, seeking to create a harmonious balance between financial success, societal wellbeing and environmental stewardship.

Companies we invest in

We are convinced that companies that adopt sustainable business practices have a competitive edge and are more likely to be successful over the long run than those that do not. We also recognize that society benefits from businesses adopting sustainable practices.

At Robeco we believe that exercising our stewardship responsibilities is an integral part of our approach to sustainable investment. Doing so involves using our influence and rights as an investor to improve the behavior of the companies we invest in. This approach is in line with our mission to use research-based, high-quality processes to produce the best possible results for our clients over the long term.

→ *Read more about our active ownership activities in the Stewardship section*

Our vendors

The vendors we use are an important group of business partners for Robeco. They are vital to our success as they provide us with the goods and services that enable us to operate efficiently and effectively. We work closely with them to ensure ethical and sustainable practices are applied throughout our upstream value chain.

→ *Read more about our vendors, procurement, and third-party management*

Our communities

At Robeco we care about the wellbeing of the communities we operate in. In particular, we aim to promote equal opportunities for underprivileged groups and support projects that help children reach their full potential. We also respect the environment and seek to protect it for the future.

An example of how we interact with our communities is our annual Sustainability Week. Every September we organize a series of events, during which members of all our offices dedicate time to discover what sustainability means for Robeco, the communities we're part of and themselves.

HIGHLIGHTS OF OUR SUSTAINABILITY WEEK

All our offices participated in organized activities during our 2024 Sustainability Week. Events included discussions with sustainable investing experts on various controversial topics, a clothing swap, a workshop on inclusion and a sustainable eating initiative in collaboration with WWF-NL. Colleagues in Rotterdam also enjoyed a tour of our head office that highlighted the features that make it one of the most sustainable offices in the city.

There were also a number of volunteering activities, one of which was a sporting event with schoolchildren from vulnerable backgrounds, which Robeco colleagues participate in every year. The week was a great success, strengthening the sense of community and commitment to sustainability among Robeco employees.

We aim to give back to the communities we are part of through the Robeco Foundation, volunteering and social commitments. We outline our activities in these three fields in 2024 below.

Robeco Foundation

The Robeco Foundation contributes to educational projects that aim to help disadvantaged children reach their full potential. We focus our efforts on locations where Robeco has a presence in order to strengthen our bond with the local community. Programs or initiatives that contribute to SDG 1 (No poverty), SDG 4 (Quality education), SDG 10 (Reduced inequalities) are eligible for funding from the Foundation.

The Foundation includes a review committee that meets every week to assess any new requests for donations. As well as validating that an initiative contributes to the relevant SDGs, the committee checks if the allocation of funds reflects our global presence. A compliance check of the organization requesting a donation is also part of the assessment process. When the review committee decides that it wants to make a donation, it advises the Board of the Robeco Foundation. The Board has the final say in the award of any funding.

In 2024, the Robeco Foundation agreed to two new three-year partnership agreements with the following initiatives.

SpaceBuzz (Netherlands)

SpaceBuzz is a non-profit that takes children aged 10-12 on a virtual mission to space in an 18-meter rocket equipped with the latest virtual reality and augmented reality technologies. This enables them to experience the 'overview effect' – essentially, seeing our planet in the same way that astronauts do from space. The aim is to leave a deep and lasting impression on children and inspire them to become a force for good.

Before and after the mission there is an extensive educational program, teaching the children about nature, technology, people, society and space. The program also helps develop the children's digital skills. The Robeco Foundation's donation helps SpaceBuzz improve its educational platform and make the program available to schools in less affluent areas of Rotterdam.

Team Toekomst (Netherlands)

This charity runs a program that focuses on creating equal opportunities for children in Delfshaven, which is one of the poorest neighbourhoods in the Netherlands and very close to Robeco's headquarters. There is lots to do for children in Rotterdam, like getting involved with sports clubs, taking music lessons and receiving help with their homework, but not all parents know how to access these services. Team Toekomst helps in this respect so children can learn new skills and develop their confidence. It also helps families access financial support. The Robeco Foundation's donation helps the charity reach more families.

The foundation is looking to engage in two more partnerships – one in Hong Kong and another in Switzerland, where two of our biggest offices are located.

In addition to these partnerships, the Robeco Foundation also supported four one-off projects and continued supporting JINC, which provides volunteering opportunities to Robeco colleagues in the Netherlands.

The Robeco Foundation donated a total of EUR 0.2 million in 2024 (2023: EUR 0.3 million).

Volunteering

We encourage our employees to help underprivileged groups in our local communities and take care of our environment. To this end, Robeco grants every employee one day a year off work to participate in a volunteering event.

Two organizations help us organize volunteering opportunities in the Netherlands: JINC (which the Robeco Foundation supports) and NL Cares. Through these collaborations we provided our employees with access to seven volunteering opportunities in and around Rotterdam in 2024. Activities included helping in a beach clean-up and coaching children in sporting activities.

Our offices outside the Netherlands also provide volunteering opportunities. For example, in 2024 members of our Australian office helped prepare meals for homeless and disadvantaged people. In Hong Kong and Shanghai, our colleagues gathered pre-owned items like clothes, books, and school bags, which were then donated to children in need.

Social commitments and donations

Some of our employees are involved in social initiatives in their local communities. We appreciate these efforts, which they make in their free time. Staff members can request that Robeco make a donation toward such a project on condition that they are actively involved in the project themselves. We also support several ongoing initiatives in which larger groups of our employees are involved, such as Cycling for Sophia and Roparun.

CYCLING FOR SOPHIA In March 2024, 25 colleagues cycled indoors to raise money to help children with immune diseases in the Sophia Children's Hospital in Rotterdam. The money was used to buy a much-needed blood analysis device. Robeco also donated to the cause.

ROPARUN A Robeco team participated in the 2024 Roparun. This was the 12th time we took part in the event, which takes the form of a 535-kilometer relay race between Rotterdam and Paris to raise money for the Roparun Foundation. Roparun provides care for people with cancer and their families in the Netherlands. The Robeco team raised money by taking part in the race and getting involved in several other fundraising activities throughout the year. Robeco also made a donation.

Governance and managing risks

Corporate governance

Robeco has a two-tier board[21], consisting of a Management Board and a Supervisory Board. An Executive Committee (ExCo) is in place to help the Management Board carry out its duties and responsibilities and to perform the day-to-day management of Robeco together with the Management Board.

The governance principles of Robeco and its corporate bodies are laid down in:
- Robeco's Articles of Association;
- the Supervisory Board Rules of Procedure;
- the Management Board and Executive Committee Rules of Procedure;
- the rules of procedure of the Supervisory Board sub-committees (the Audit & Risk Committee and the Nomination & Remuneration Committee);
- the rules of procedure of the Executive Committee sub-committees.

Management Board

The Management Board is Robeco's statutory board and is ultimately responsible for managing the company; setting Robeco's strategy, objectives and overall direction; and for overseeing and monitoring decision-making. The three members of the Management Board are appointed by Robeco's general meeting. The Supervisory Board must be consulted about any intended appointments to the Management Board.

→ *Read more information about the Management Board members' background*

MANAGEMENT BOARD

Karin van Baardwijk
Chief Executive Officer (CEO) and Chair of the Executive Committee
(Dutch, female, 1977)

Appointed on
01/01/2022

Previous experience
Robeco Deputy CEO, Chief Operating Officer, Head of Global Information Services and Head of Operational Risk Management

Mark den Hollander
Chief Financial and Risk Officer (CFRO)
(Dutch, male, 1969)

Appointed on
24/06/2019

Previous experience
CFRO and Chief Risk Officer at NN Investment Partners

Marcel Prins
Chief Operating Officer (COO)
(Dutch, male, 1969)

Appointed on
01/06/2022

Previous experience
COO and Chief Digital Officer at APG Asset Management and Managing Director for International Operations at ABN AMRO

21. Due to Robeco's two-tier governance structure, Supervisory Board members are non-executive members. The Supervisory Board is comprised of five members.

Executive Committee

Robeco's Articles of Association state that the Management Board may establish an Executive Committee composed of all Managing Board members and one or more other members (Senior Executives) to support the Management Board in carrying out its duties and responsibilities, and to perform the day-to-day management of Robeco together with the Management Board. Senior Executives are appointed, dismissed or suspended by the Management Board based on a proposal by the Chief Executive Officer (CEO). The Supervisory Board, after taking advice from the Nomination & Remuneration Committee, approves any such appointments, dismissals and suspensions. The ExCo had six members as at the end of 2024.

→ *Read more information about the Executive Committee members' background*

EXECUTIVE COMMITTEE

Management Board plus:

Ivo Frielink
Head of Strategic and Business Development (Dutch, male, 1976)

Appointed on
01/03/2022

Previous experience
Regional Business Manager APAC at Robeco Hong Kong and Head of Product Development & Market Intelligence at NN Investment Partners

Mark van der Kroft
Chief Investment Officer (CIO) (Dutch, male, 1964)

Appointed on
01/09/2020

Previous experience
Head of Trends and Thematic investing at Robeco, Director Strategic Business Development, and Head of Government Bond Research at ABN Amro

Malick Badjie
Global Head of Sales and Marketing (British, male, 1981)

Appointed on
01/01/2024

Previous experience
Head of Institutional Sales for Europe, North America, and Africa at Robeco, partner at Silk Invest and Regional Sales Head at BlackRock

Renske Paans-Over, Chief Human Resources Officer and advisor to the ExCo, left Robeco as of 1 September 2024 to pursue a new career opportunity. Simone van den Akker-Martens succeeded her as Chief Human Resources Officer as of that date. However, she is not a member of the ExCo and has no voting rights at its meetings, so she is not considered a daily policymaker[22].

Executive Committee sub-committees

The ExCo has five sub-committees, with the following responsibilities:

- Product Approval Committee: approves new products and services.
- Enterprise Risk Management Committee: advises the ExCo about the general risks that Robeco faces.
- Sustainability and Impact Strategy Committee: oversees, coordinates and drives sustainability matters from a company-wide perspective.
- Pricing Committee: ensures that we provide attractive investment solutions and services to our clients at appropriate prices while ensuring Robeco is sufficiently profitable, in compliance with applicable laws and regulations.
- Customer Committee: assesses client relationships from an integrity risk perspective.

The tasks and responsibilities of the ExCo sub-committees are laid down in their respective rules of procedure. The role of these sub-committees is to provide advice and prepare decisions to be taken by the ExCo and carry out responsibilities delegated to them by the ExCo.

→ *Read more about the responsibilities of the Executive Committee sub-committees*

22. The Authority for the Financial Markets (AFM) defines 'daily policymakers' as people that are statutory directors and people who formally do not have the position of statutory director, but in practice are responsible for the daily management of the company.

Self-assessment

In accordance with the Management Board and Executive Committee Rules of Procedure, the ExCo performs an annual assessment to monitor its performance and the ongoing suitability of its members. In performing these self-assessments, the focus will be on relevant changes in Robeco's business activities, strategies and risk profile, the distribution of duties within the ExCo and their effect on the required collective knowledge, skills and experience of the ExCo. The results of the self-assessment are discussed with the Supervisory Board. The ExCo started a self-assessment process guided by an external advisor in 2022, which continued into 2024.

Permanent education

Members of the ExCo must ensure that they maintain sufficient skills to perform their functions through education, training and practice (permanent education). In 2024, the ExCo received collective Permanent Education training on the topics of ETFs; technology and tooling for Investments, Risk, and Compliance; SI Research; Trends & Thematics; strategy and industry developments; EU's Digital Operational Resilience Act (DORA) and third-party management; and anti-money laundering and sanctions.

Supervisory Board

The Supervisory Board is responsible for supervising the general affairs of Robeco and its businesses as executed by the Management Board and Executive Committee. These affairs include Robeco's strategy, financial and non-financial targets, budget, risk framework and policies. It advises, challenges and supports both the Management Board and the Executive Committee, in compliance with applicable laws and regulations. In doing so it is guided by the interests of Robeco, its group companies and their businesses.

The Supervisory Board supervises, advises, challenges and supports the Executive Committee and Management Board in the exercise of their powers and duties, taking into account the dynamics and the relationship between the Executive Committee and the Management Board and their members. In doing so it respects the respective statutory tasks and responsibilities in compliance with applicable laws and regulations, including Dutch law, the Articles of Association and the applicable rules of procedure.

Five members of the Supervisory Board are appointed by Robeco's general meeting.

SUPERVISORY BOARD

as at 31 December 2024

Maarten Slendebroek
Chair
(Dutch-Swedish, male, 1961)

Appointed until
Annual general meeting of 2028

Last executive position
CEO of Jupiter Fund Management

Sonja Barendregt-Roojers
Vice-Chair
(Dutch, female, 1957)

Appointed until
01/04/2026

Last executive position
Senior PwC partner

Stan Koyanagi
Member
(American, male, 1960)

Appointed until
01/09/2026

Last executive position
Currently member of the Board of Directors, Senior Managing Executive Officer and Global General Counsel of ORIX Corporation

Mark Talbot
Member
(British, male, 1968)

Appointed until
17/09/2027

Last executive position
Managing Director Asia Pacific at Fidelity International in Hong Kong

Radboud Vlaar
Member
(Dutch, male, 1977)

Appointed until
01/04/2025

Last executive position
Executive Board Member at Finch Capital Partners B.V.

→ *Read more about the Supervisory Board members' backgrounds*

As per 1 April 2025, the current term of the Supervisory Board member Radboud Vlaar has concluded as scheduled, and he is no longer serving in this role. It is expected a successor will be appointed by June 2025. We thank him for his valuable contribution to the Supervisory Board and its sub-committees.

All members of the Supervisory Board are independent, with the exception of Stan Koyanagi, who is a representative of ORIX Corporation, Robeco's ultimate (indirect) shareholder.

Supervisory Board sub-committees

The Supervisory Board has two sub-committees: the Audit & Risk Committee and the Nomination & Remuneration Committee. The tasks and responsibilities of these sub-committees are laid down in their respective rules of procedure. Their role is to provide advice to the Supervisory Board, prepare decisions to be taken by the Supervisory Board and carry out responsibilities that are delegated to them by the Supervisory Board.

The Audit & Risk Committee (A&RC) supervises Robeco's financial reporting process, control environment, system of internal controls, risk management and internal audits. It also reviews Robeco's processes for monitoring its compliance with legislative and regulatory requirements and its own internal policies. In doing so, the A&RC relies on reporting from Robeco's Risk Management, Compliance, Internal Audit, Legal Affairs and Business Control & Finance departments and our external auditor.

The Nomination & Remuneration Committee (N&RC) supervises Robeco's remuneration policy and its implementation; as well as the succession planning for the company's Management Board, Executive Committee and Supervisory Board. Under Robeco's Remuneration Policy and Articles of Association, the N&RC also:

- advises the general meeting on the appointment of Management Board members (statutory directors);
- proposes the remuneration of Management Board members (statutory directors);
- approves the proposed appointments of members of the ExCo who are not statutory directors;
- approves the proposed remuneration of members of the ExCo who are not statutory directors;
- approves the remuneration of heads of control functions;
- approves the annual variable remuneration pool;
- approves any total annual remuneration for individual employees in excess of EUR 750,000;
- approves any awards of variable remuneration in excess of 200% of total fixed pay;
- determines the KPI setting for Management Board members (statutory directors);
- approves KPI setting for ExCo members and heads of control functions.

Assessments of the Supervisory Board

In accordance with the Supervisory Board Rules of Procedure, the Supervisory Board performs an annual self-assessment to monitor the ongoing suitability of its members. Additionally, every three years the Supervisory Board is subject to an external assessment (the last such assessment was in 2023). The results of these assessments are discussed by the N&RC and Supervisory Board and, where relevant, follow-up actions are discussed with the CEO and Executive Committee.

Meetings

The Supervisory Board meets at least four times a year – normally once every quarter and whenever the Chair calls a meeting or one or more of the members of the Supervisory Board requests one. The Supervisory Board and the Executive Committee maintain regular contact, which can take place between all members or between the Chair of the Supervisory Board, the CEO and the relevant member of the ExCo responsible for specific topics. In 2024, all ExCo members were invited to attend the regular meetings of the Supervisory Board.

Permanent Education

Members of the Supervisory Board must ensure that they maintain sufficient skills to carry out their roles through education, training and practice (Permanent Education). In 2024, the Supervisory Board received collective Permanent Education training on the topics of ETFs; technology and tooling for Investments, Risk, and Compliance; SI Research; Trends & Thematics; DORA and third-party management; and anti-money laundering & sanctions.

Criteria for nominating, selecting and appointing members of the Management Board, Supervisory Board and Executive Committee (the Management Body)

After the selection process for a member of the Management Board, Supervisory Board or Executive Committee (which, collectively, are known as Robeco's 'Management Body') has finished, an assessment of the suitability of the selected individual and the collective Management Body in its executive or supervisory function needs to be performed. This includes a decision about whether any remedial measures should be taken, because the individual would be regarded as a daily policymaker in accordance with the Dutch Financial Supervision Act (Wet op het financieel toezicht, or Wft).

The assessment of the collective suitability of the Executive Committee and Supervisory Board takes into account how the candidate fits into these groups and whether diversity is sufficiently taken into account.

The assessment of the individual suitability of the candidate considers questions such as:

- Does the candidate have adequate knowledge, skills and experience to fulfill their function and are they able to commit enough time to perform their function as a member of the Management Body?
- Is the candidate of sufficiently good repute, and does the candidate uphold the highest standards of integrity and honesty?
- Is the candidate able to act with an independent mind?

Conflicts of interest

Generally, the Executive Committee is responsible for promoting and effecting Robeco's corporate governance structure, its reporting lines, the allocation and segregation of duties and the prevention of conflicts of interest. It is also responsible for doing this in a manner that promotes the integrity of the market and the interests of our clients. The Supervisory Board is responsible for overseeing the implementation and maintenance of a code of conduct, conflicts of interest policy and effective policies to identify, manage and mitigate actual and potential conflicts of interest.

If a member of the Management Board, Executive Committee or Supervisory Board has a conflict of interest, that member does not participate in any discussions or decision-making in relation to the matter in which they have the conflict. If as a result of such conflicts no resolution of the Executive Committee or the Management Board can be adopted, the resolution is adopted by the Supervisory Board. Each member of the Management Board, Executive Committee or Supervisory Board must immediately report any actual or potential conflict of interest.

As a result of the overlap between the members of the Management Boards of Robeco and Robeco Institutional Asset Management B.V. (RIAM), members of Robeco Holding's Management Board may be subject to conflicts of interest when Robeco Holding B.V. exercises its shareholder rights in relation to RIAM (Conflict of Interest Matters).

These shareholder rights are:

- the appointment, suspension or dismissal of members of RIAM's Management Board;
- granting discharge to members of RIAM's Management Board;
- establishing their remuneration and remuneration policy;
- adopting any resolutions of the Supervisory Board of RIAM in respect of which all members have a conflict of interest, as referred to in Section 2:250, Subsection 5, of the Dutch Civil Code.

Decision-making involving conflicts of interest for Robeco Management Board members, who also represent Robeco as RIAM's sole shareholder, is escalated to Robeco's general meeting (ORIX Corporation Europe N.V.).

In addition, certain matters have been identified in Robeco's Articles of Association for which Robeco exercising certain shareholder rights with respect to RIAM would not be appropriate from a good governance perspective (Good Governance Matters). An example of such matters would be the decision to appoint or dismiss members of RIAM's Supervisory Board. Such a decision may not represent a personal conflict of interest for all Robeco Management Board members, but it would be undesirable from a corporate governance perspective for Robeco Management Board members to be involved in the decision to appoint and dismiss their own supervisors. The same applies to matters including the appointment of RIAM's statutory auditor, the adoption of its annual accounts and the distribution of its dividends and interim dividends. Decision-making on Good Governance Matters by Robeco's Management Board acting as sole shareholder of RIAM is also escalated to ORIX Corporation Europe N.V.

Diversity

Robeco strives to achieve diversity in terms of gender, race, ethnicity, religion, disability, family responsibility, sexual orientation, social origin, age and experience on its Supervisory Board, Management Board and Executive Committee.

In accordance with Dutch corporate law, which requires gender diversity targets to be set, Robeco has adopted the following gender diversity targets for 2025[23]:

- Management Board: 33%
- Supervisory Board: 33%
- Sub-Top[24]: 22%

As at 31 December 2024, we had achieved this gender target for the Management Board (33% female, one of the three members is female and two are male), but not for the sub-top (19% female, 22 of 188 members are female) or the Supervisory Board (20% female, one of the five members is female). Robeco will take these gender targets into account when appointing future board members. For our general approach towards Diversity, Equity & Inclusion, please refer to the Our workforce section. The Executive Committee does not have a separate gender target for 2025 based on the corporate law we referred to above as, as it is included in the definition of 'sub-top'.

23. Robeco has formulated long-term gender targets for the Executive Committee in its DE&I roadmap. Please refer to the section on 'Our workforce' for more information.
24. The sub-top is defined as all staff in job levels 9 and 10 and as all members of the Executive Committee who are not Management Board members.

Ancillary functions

The members of the ExCo have the following ancillary functions:

- Karin van Baardwijk: member of the board of DUFAS, member of the Advisory Board of Leaders in Finance, member of the board of Stichting Capital Amsterdam and member of the Oversight Board of Kunsthal Rotterdam.
- Mark van der Kroft: member of the audit committee of Nedlloyd Pension Fund.
- Marcel Prins: member of the Supervisory Board of ABN AMRO Clearing Bank N.V.
- Malick Badjie: Regional Board Member of Room to Read Middle East.
- Ivo Frielink and Mark den Hollander have no ancillary functions.

The members of the Supervisory Board have the following ancillary functions:

- Maarten Slendebroek: chair of the board of Brooks Macdonald, non-executive director of Law Debenture, member of the advisory board of Mesmerise, trustee of the Orchestra of the Age of Enlightenment in London, member of the Advisory Board of Catella APAM Strategic Equities Fund I.
- Sonja Barendregt-Roojers: member of the supervisory board of ASR Nederland N.V.
- Stan Koyanagi[25]: member of the board of ORIX Corporation, ORIX Corporation Europe N.V., and non-executive board member of Boston Partners Global Investors, Inc.
- Mark Talbot: non-executive member of the board of St Andrews University Hong Kong and non-executive board member at Harbor Capital.
- Radboud Vlaar: non-executive board member of Fourthline B.V., Oh Goodlord Ltd, Nomu Pay Ltd, HWS Solutions B.V. and Hendricks B.V.; and executive board member at Finch Capital Partners B.V. and related entities such as OGC Partners B.V. and various fund vehicles.

Corporate structure

Robeco is incorporated under Dutch law and has its corporate seat in Rotterdam, the Netherlands. It is wholly owned by ORIX Corporation Europe N.V., whose sole shareholder is ORIX Corporation in Japan.

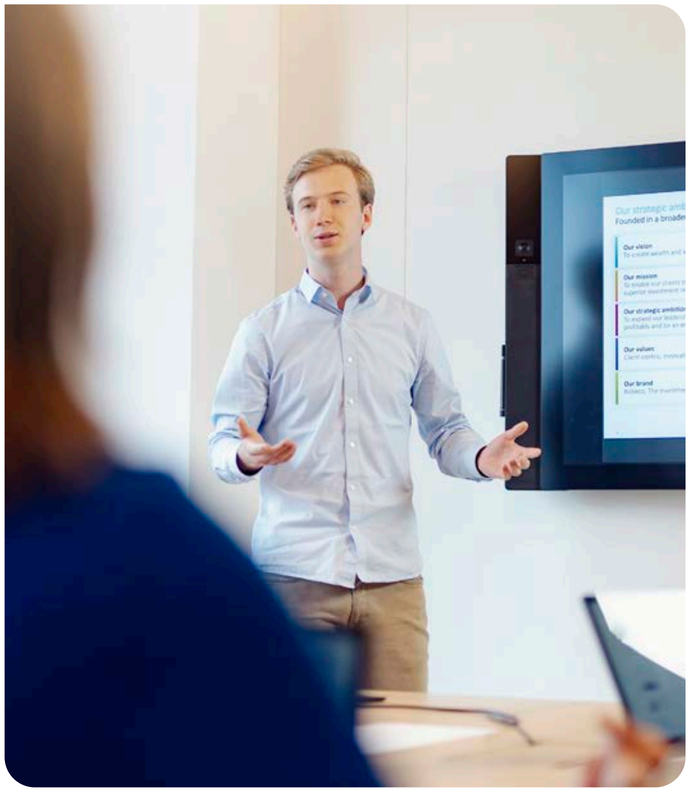
Good corporate governance is critical for Robeco if we are to create value for our clients, shareholders, investors, employees and society at large. Our corporate governance adheres to all applicable regulatory requirements covering the roles and responsibilities, composition and diversity, and appointments, suspensions and dismissals of all board members.

Robeco Holding B.V. is the top holding company of the Robeco group of companies, including Robeco Institutional Asset Management B.V. and Robeco Nederland B.V., the Dutch central service company of Robeco. Robeco Nederland B.V. is the formal employer of almost all Robeco's staff based in the Netherlands, who are provided to Robeco by Robeco Nederland B.V. through an intercompany service agreement.

Governance relationship with Robeco Institutional Asset Management B.V.

The composition of the Management Board, ExCo and Supervisory Board of Robeco and Robeco Institutional Asset Management B.V. (RIAM) is the same. As RIAM is a regulated entity, appointments of members of the Management Board, ExCo (Senior Executives[26]) and Supervisory Board require prior approval from the Authority for the Financial Markets (Autoriteit Financiële Markten, AFM) in the Netherlands. In addition, there is a Works Council in place at RIAM. The Works Council provides advice on appointments to RIAM's Management Board.

Appointments to RIAM's Supervisory Board are made by its general meeting based on nominations by the Supervisory Board. The 'Large Company Regime' (Dutch Civil Code) applies to RIAM, which means that RIAM's general meeting and the Works Council may recommend nominees for the position of Supervisory Board member to the Supervisory Board. The Works Council has an enhanced right of recommendation for one-third of positions on the Supervisory Board, which means the Works Council's nominee can only be rejected in exceptional circumstances. Currently, one member (Sonja Barendregt-Roojers) was appointed based on the Works Council's recommendation.



25. All members of the Supervisory Board are independent, with the exception of Stan Koyanagi, who is a representative of ORIX Corporation, Robeco's ultimate (indirect) shareholder. Therefore, 80% of the independent board members are independent.
26. Members of the Executive Committee that are not members of the Management Board.

Report of the Supervisory Board

In 2024, the Supervisory Board met 11 times. The Audit & Risk Committee met six times and the Nomination & Remuneration Committee five times. All regular plenary Supervisory Board meetings were attended by all Supervisory Board members, except one. All active members of the Executive Committee (ExCo) and other guests attended the regular Supervisory Board meetings during the year. The Supervisory Board also met in closed sessions, mostly without any of the ExCo members present.

At the meetings of the Supervisory Board and those of its committees, due consideration was given to developments in the financial markets, performance of products and Robeco's financial results. With regard to changes in rules and regulations, the Supervisory Board adheres to regulatory control and ensures due consideration of regulatory developments. In that context, the Supervisory Board and the Audit & Risk Committee regularly received updates on the review of and improvements in Robeco's internal risk management and internal control framework. The interests of clients are considered to be a key issue and, consequently, an important focus.

Another subject that comes up on a regular basis in the Supervisory Board's discussions is the financial markets' developments and the strategic challenges for Robeco. International political developments are also discussed. In terms of human resources, the Supervisory Board acknowledges the importance of recruiting, training, developing and retaining talent as a key element in successfully running an asset management company. That means providing professionals with appropriate opportunities while pursuing a remuneration policy in line with market standards and complying with applicable laws and regulations. Developments in human resources and succession planning for key senior executives are therefore also monitored and discussed regularly in Supervisory Board meetings.

The Supervisory Board discussed Robeco's results with the ExCo on the basis of periodic reports. It focused on whether budgetary targets were being met, investment returns, changes in total client assets as a result of market movements and net new money flows, the company's cost/income ratio and its overall profitability. It also dealt with risk management, compliance and legal and operational matters. The Supervisory Board was regularly updated on and involved in Robeco's strategic projects and discussed the preparations for the renewal of Robeco's strategy.

RECOMMENDATION TO ADOPT ANNUAL FINANCIAL STATEMENTS

The Supervisory Board has taken note of the contents of the annual financial statements and the report presented by KPMG, which issued an independent auditor's report on the 2024 annual financial statements. We recommend approval of the annual financial statements by the Annual General Meeting of Shareholders, and we concur with the Management Board's proposal to pay out a dividend to the shareholder of EUR 115.0 million, which consists of Robeco's 2024 net result. This proposal will be submitted to the Annual General Meeting of Shareholders.

Remuneration

Our employees and their knowledge and capabilities represent Robeco's most important asset. In order to attract and retain staff who enable Robeco to help our clients achieve their goals, providing an attractive remuneration and benefits package is vital. It is equally vital to reward our people based on their performance fairly and competitively. To achieve this, we have a remuneration policy in place. In this section we elaborate on different aspects of our remuneration policy.

Objectives of our remuneration policy

In line with our reputation as a leader in sustainability, Robeco compensates its employees in a non-discriminatory and gender-neutral manner. The key objectives of our remuneration policy are:

- incentivizing employees to act in our clients' best interests and preventing potential poor business conduct or conflicts of interest from adversely affecting our clients;
- supporting our risk management processes and preventing our employees from taking unnecessary risks;
- helping us foster a healthy corporate culture focused on achieving sustainable results in accordance with the long-term objectives of Robeco, its clients and other stakeholders;
- ensuring our remuneration policy takes into account ESG risks and our sustainable investment objectives by incorporating these criteria in the key performance indicators (KPIs) used to determine individual staff members' variable compensation;
- providing competitive remuneration to help us attract and retain talented people.

We review the policy every year to ensure it is aligned with regulatory requirements, internal standards and client interests. We also immediately review the remuneration policy in response to any significant changes in our business activities or organizational structure.

The basis of our remuneration policy

In general, Robeco aims to align its remuneration policy and practices with its risk profile, its function and the interests of all its stakeholders. Robeco's remuneration policy and practices aim to reward success and maintain a sustainable balance between short- and long-term value creation and reflect Robeco's long-term responsibility toward its employees, clients, shareholders and other stakeholders.

The regulatory environment

Robeco is active in a strictly regulated sector. This impacts every aspect of our business model, including our remuneration policy and practices. All of the remuneration regulations that Robeco is subject to as an asset manager endeavor to align, at least in general terms, our company's interests with those of our stakeholders. The regulations state that we should achieve this aim through the use of deferral mechanisms, retention periods and restrictions on disproportionate ratios between fixed and variable remuneration. We incorporate these requirements – both in letter and in spirit – in our remuneration policy. We recognize that excessive variable remuneration can be inappropriate. Therefore, annual variable remuneration in principle does not exceed 200% of fixed remuneration. In recognition of Robeco's responsibility to address sustainability challenges, we have explicitly integrated sustainability risk factors in the performance indicators of relevant employees.

Monitoring of and changes to our remuneration policy

Robeco constantly seeks and receives input from clients, its shareholder, regulators and other stakeholder groups about its approach to remuneration.

We have put in place robust governance and monitoring arrangements to ensure our remuneration policy remains aligned not just with applicable laws, but also with the interests of our stakeholders. Our Management Board is ultimately responsible for approving changes to our remuneration policy (apart from changes to their own remuneration). The remuneration of the Management Board is determined by the Supervisory Board and the Nomination & Remuneration Committee.

Updates to our reward framework

In 2024 we implemented several updates to our remuneration policy to enhance transparency and align with evolving regulatory requirements and employee expectations. We refined our reward framework by simplifying the compensation structure in the Netherlands, which makes it more transparent. As part of this initiative, we also launched a program to establish clear fixed and variable remuneration ranges. These ranges will be communicated to employees, promoting a better understanding of their compensation. We raised the approval threshold from EUR 500,000 to EUR 750,000. This means that the approval of the Supervisory Board and our shareholder is now only needed for employees earning more than EUR 750,000 per year. We increased the deferral threshold for non-Identified Staff from EUR 50,000 to EUR 100,000. These changes make our rewards framework more efficient, while maintaining a balanced approach to risk and reward.

By making these adjustments, we aim to create a fairer, more predictable, and more competitive compensation structure that benefit both our employees and Robeco.

Components of remuneration

All remuneration our employees receive can be divided into fixed remuneration (payments or benefits that do not take into account any performance criteria) and variable remuneration (additional payments or benefits that depend on performance). When determining employees' total remuneration, we periodically perform a benchmark review.

Fixed remuneration

Each individual employee's monthly fixed pay is determined based on their function and/or level of responsibility and experience according to set salary ranges and with reference to investment management benchmarks in the relevant region. The fixed remuneration we pay is sufficient to remunerate the staff member for the professional services they perform, in line with their level of education, degree of seniority, level of expertise, skills required for their role and work experience, and the part of our business and region they work in. Under certain circumstances, temporary allowances may be awarded. In general, these are solely function- and/or responsibility-based and are not linked to the performance of the employee or Robeco. Allowances are granted based on strict guidelines and principles.

Variable remuneration

The variable remuneration pool is determined based on Robeco's financial results and a risk assessment that takes into account both financial and non-financial factors. This is to ensure any variable remuneration grants are warranted given the financial strength of the company and based on effective risk management. The variable remuneration of all staff members is appropriately balanced with the fixed remuneration that they receive.

Key performance Indicators (KPIs)

To the extent that the variable remuneration pool allows, each employee's variable remuneration is determined by taking into account the employee's behavior and personal and team performance based on pre-determined financial and non-financial KPIs. The actual amount of variable remuneration awarded is at the discretion of the employee's manager.

The financial KPIs for our investment professionals are mainly based on risk-adjusted excess returns over one, three and five years. For sales professionals, financial KPIs are mostly related to generated additional revenues (net revenue run rate) and client relationship management. KPIs for support professionals are mainly non-financial and role specific. KPIs for control functions are predominantly (70% or more) function- and/or responsibility-specific and non-financial in nature. KPIs for staff members in control functions are not based on the financial results of the part of the business they oversee in their monitoring role. At least 50% of all employees' KPIs are non-financial.

All employees have a mandatory risk and compliance KPI. Their risk and compliance performance is assessed and used to adjust their overall performance downward if it does not meet the required level. Unethical or non-compliant behavior overrides any good performance generated by a staff member and will result in reduced or no variable remuneration.

All employees also have a sustainability KPI. Our Sustainability and Impact Strategy Committee develops KPIs to measure how successfully we are implementing our sustainable investing strategy. The KPIs are role-specific, and can be qualitative or quantitative. They are used as a starting point to develop KPIs for different employee groups. Where relevant, sustainability risk factors form a part of the annual goals of employees so that their remuneration is linked to sustainability risk management.

For example, portfolio managers have decarbonization and ESG-integration-related KPIs, while risk professionals have sustainability risk and monitoring-related KPIs. Sustainability KPIs for the members of our Management Board depend on the domain they are responsible for; they include KPIs linked to sustainability reporting projects, ensuring we adhere to emission reduction targets for our own operations, and monitoring and ensuring we comply with sustainability regulatory requirements. Management Board members have both individual and team KPIs. Sustainability is integrated in some of the individual KPIs of our Management Board members. The individual goals have a total weight of 50% and are based on both qualitative and quantitative aspects.

Conversion into Robeco Cash Appreciation Rights

To stimulate a healthy corporate culture focused on achieving sustainable results in accordance with the long-term objectives of Robeco and its stakeholders, we use deferrals and instruments called 'Robeco Cash Appreciation Rights' (R-CARs), the value of which reflects the financial results of Robeco over a rolling eight-quarter period.

Variable remuneration up to EUR 100,000 is paid in cash immediately after being awarded. If an employee's variable remuneration exceeds EUR 100,000, 40% of the variable remuneration in excess of EUR 75,000 is deferred and converted into R-CARs as shown in the table below, and the remainder is paid in cash.

Table 5 | Payment and deferral of variable remuneration

	Year 1	Year 2	Year 3	Year 4
Cash payment	60%			
R-CARs redemption		13.34%	13.33%	13.33%

Severance payments

We pay no severance if an employee voluntarily resigns or is dismissed for malpractice. Severance payments to daily policymakers as defined in the Wet op het financieel toezicht (Wft; Dutch Financial Supervision Act) are capped at 100% of fixed remuneration. No severance would be paid to daily policymakers if they are dismissed due to a failure of Robeco (for example, in the event of a request for state aid or if substantial sanctions are imposed by the regulator).

Rules for Identified Staff and Control Function Staff

Additional rules apply to Identified Staff and Control Function Staff.

Identified Staff

Identified Staff are employees who can have a material impact on Robeco's risk profile and/or the funds we manage. Identified Staff include the Management Board, ExCo members, senior portfolio management staff, the heads of control functions (such as Compliance, Risk Management and Internal Audit) and other risk-takers as defined in the Alternative Investment Fund Managers Directive (AIFMD) and the Undertakings for Collective Investment in Transferable Securities Directive V (UCITS V) whose total remuneration places them in the same remuneration bracket as the other staff members we refer to.

Additional rules that apply to Identified Staff include part of their variable remuneration being paid in cash and part of it being deferred and converted into R-CARs, as set out in the payment/redemption table below. The threshold of EUR 100,000 does not apply to these staff members. In the occasional event that variable remuneration is more than twice the amount of fixed remuneration, the percentages in brackets in the table below apply.

Table 6 | Payment and deferral of variable remuneration of Identified Staff

	Year 1	Year 2	Year 3	Year 4	Year 5
Cash payment	30% (20%)	6.67% (10%)	6.66% (10%)	6.66% (10%)	
R-CARs redemption		30% (20%)	6.67% (10%)	6.66% (10%)	6.66% (10%)

Control Function Staff

Control Function Staff are employees who work in our Compliance, Risk Management and Internal Audit departments. The following rules apply to the fixed and variable remuneration of Control Function Staff.

- The fixed remuneration is sufficient to guarantee that Robeco can attract qualified and experienced staff.
- The KPIs of Control Function Staff are predominantly role-specific and non-financial.
- The financial KPIs are not based on the financial results of the part of the business that the employee covers in their monitoring role.
- The KPIs may not be based on the financial results of the business part they oversee in their monitoring role.
- The rules above apply in addition to the rules that apply to Identified Staff if an employee is part of both the Control Function Staff and Identified Staff.
- The remuneration of the Head of Compliance, Head of Internal Audit and the Head of Risk fall under the direct supervision of the Supervisory Board, as advised by the Nomination & Remuneration Committee.

Risk control measures

Robeco has set out clear risk control procedures to prevent and address remuneration-related risks. These include an assessment of possible risks, an annual remuneration policy review process and shareholder approval of our remuneration policy. We elaborate on these aspects below.

Identified risks

Robeco has identified the following risks that must be taken into account in applying its remuneration policy:

- misconduct or a serious error of judgement on the part of employees (such as taking non-permitted risks, violating compliance guidelines or exhibiting behavior that conflicts with our core values) in order to meet business objectives or other objectives;
- a considerable deterioration in Robeco's financial results;
- a serious violation of the risk management system;
- evidence that fraudulent acts have been committed by employees;
- behavior that results in considerable losses.

The following risk control measures apply, all of which are monitored by the Supervisory Board.

Clawback – for all employees

Robeco may reclaim all or part of the variable remuneration paid to an employee if:

- the payment was made on the basis of incorrect information;
- it becomes clear that the employee committed fraud;
- they have engaged in serious improper behavior or demonstrated serious negligence in the performance of their tasks;
- their behavior has resulted in considerable losses for the organization.

Ex-post malus – for Identified Staff

Before paying any part of a deferred remuneration payment, Robeco may reduce the amount to be paid on the following grounds.

- Evidence of fundamental misconduct, errors or integrity issues by the staff member, such as a breach of the Code of Conduct or

- other internal rules, especially related to risks.
- If there is evidence the staff member caused a considerable deterioration in the financial performance of Robeco or any fund we manage.
- A significant deficiency in Robeco's risk management or the risk management of any fund we manage.
- Significant changes in Robeco's financial situation.

Ex-ante risk assessment – for Identified Staff

Before granting variable remuneration to Identified Staff, Robeco may decide to reduce the variable remuneration proposal, potentially to zero, in the event of collective or individual compliance- or risk-related issues.

Shareholder approval

The remuneration of the Management Board is determined by our shareholder, based on a proposal from the Supervisory Board, which is advised by the Nomination and Remuneration Committee. The proposal will be based on a prior proposal of the CEO, except when it concerns the remuneration of the CEO itself. With regards to RIAM, the remuneration policy for the Management Board as adopted by the General Meeting will be taken into account. Remuneration for employees who earn more than EUR 750,000 per year or who are granted variable remuneration in excess of 200% of their fixed remuneration requires the approval of the Supervisory Board (advised by the Nomination and Remuneration Committee) and our shareholder.

Annual review

Our remuneration processes are audited and reviewed each year internally. Any relevant changes made by regulators are incorporated in our remuneration policies and guidelines. Every year, an independent external party reviews our remuneration policy to ensure it is fully compliant with all relevant regulations. There are no differences between the retirement benefit schemes and the contribution rates for the highest governance body members, senior executives and all other employees.

Supervisory Board compensation

Supervisory Board members receive fees for their service on the Supervisory Board. All fees are paid out fully in cash.

No variable remuneration is provided, ensuring the Supervisory Board members act impartially. Supervisory Board members are not eligible to receive any benefits in relation to their position on the Supervisory Board.

Table 7 | Remuneration of current and former statutory directors[29]

	FTE	Headcount	Fixed remuneration in EUR million	Variable remuneration in EUR million[30]	Total remuneration in EUR million
Current and former statutory directors	3	3	1.9	2.7	4.6

Table 8 | Women-to-men remuneration percentage[31]

	Fixed remuneration percentage	Total remuneration percentage
Women-to-men remuneration percentage: Senior Professionals and Executive Committee	100%	99%
Women-to-men remuneration percentage: Professionals	95%	92%

Table 9a | Annual total compensation ratio

	2024	2023	2022
Ratio of highest-paid individual to median annual total compensation for all employees[32]	23:1	21:1	20:1

Table 9b | Annual total compensation increase ratio

	2024
Ratio of percentage increase for highest-paid individual to the median percentage increase[33]	1.6:1

29. The FTE and headcount numbers in this table are as at the end of the reporting period: 31 December 2024.
30. Based on awarded amounts. Part of the variable remuneration is deferred, including a partial conversion into Robeco Cash Appreciation Rights.
31. The calculation is in line with the respective GRI standard, which does not take into account the uneven distribution between women and men in different job levels.
32. The ratio reflects the highest-paid individual compensation to the median (excluding the highest-paid individual). The following compensation elements are included: fixed pay (based on FTE) at the end of the calendar year, allowances such as vacation allowance and awarded variable remuneration over the performance year.
33. This year is the first year we report this ratio. It reflects the ratio of the percentage increase in annual total compensation for the organization's highest-paid individual to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual). The following compensation elements are included: fixed pay (based on FTE) at the end of the calendar year, allowances such as vacation allowance and awarded variable remuneration over the performance year.

Risk management

At Robeco, risk management is based on the principles of sound management, as set out in the Dutch Corporate Governance Code and the principles of the Committee of Sponsoring Organizations Enterprise Risk Management. We therefore manage risks according to what is currently considered to be best practice.

Governance of risk management

Robeco's risk governance structure is based on a Three Lines Model, which helps us identify and define the responsibilities of key players in our risk governance structure. It also enables them to interact and effectively align, collaborate and be accountable when helping the company achieve its objectives within our defined risk appetite. All Robeco employees have a role in risk governance, with risk management and compliance responsibilities.

The three lines of the Three Lines Model are as follows.

- The first line consists of the primary risk owners who identify, assess and manage risks in their day-to-day work within our company.
- The second line is our Compliance and Risk Management departments, which develop and maintain the risk policies and frameworks that enable the first line to manage risk. These departments also monitor and report to the Enterprise Risk Management Committee on the risk and compliance activities of the first and second lines and on relevant developments.
- Our Internal Audit function is the third line. It performs various independent audits and reviews of our risk management procedures.

RISK APPETITE

Our risk appetite serves as a guiding principle ensuring that the level of risk we take on is consistent with our predefined expectations and goals. At Robeco we define risk appetite in two respects: corporate risk appetite, which covers our own operations, and portfolio risk appetite, which is specific to each portfolio that we manage.

A cross-functional committee structure is in place with the following five ExCo sub-committees:

Enterprise Risk Management Committee (ERMC)

The ERMC is the most senior body within Robeco that focuses on risk. It consists of members of the ExCo and relevant departments. The ERMC is chaired by the Chief Financial and Risk Officer (CFRO) and is responsible for evaluating and approving company policies relating to risk management and compliance. The ERMC also assesses whether the risks that Robeco's activities involve fall within defined risk tolerance levels. If risks exceed these levels, the ERMC has the power to remedy the situation. The ERMC is supported by a dedicated risk management committee to control the financial risks associated with our client portfolios and by committees and sub-committees that focus on issues such as valuation, security, outsourcing and crisis management.

Sustainability and Impact Strategy Committee (SISC)

The SISC oversees, coordinates and drives sustainability matters across Robeco. Sustainable investing is one of the key pillars in Robeco's strategy. The implementation of sustainable investing is carried out by our investment teams in Rotterdam, Hong Kong and Zurich. Consistent integration of sustainability in our investment processes requires close collaboration with our Active Ownership and Sustainable Investing Research team. The SISC also ensures that sustainability is incorporated in our sales and marketing, strategic product management, risk management and IT and data processes.

Product Approval Committee (PAC)

Our PAC is ultimately responsible for approving new products, changes (including liquidations) to our products, seed capital requests, product reviews and other topics included in our Product Quality Procedure. The PAC ensures that products are launched, maintained or discontinued in the best interest of our clients and that they adhere to Robeco's corporate values. Each member of the PAC is responsible for representing their area of expertise (Product Management & Development, Operations, Compliance, Risk Management, Investments, SI Center of Expertise and Sales) and for evaluating proposals to assess whether they align with Robeco's strategic goals.

Pricing Committee

The Pricing Committee ensures that we provide attractive investment solutions and services at prices appropriate to our clients, while ensuring our business is sufficiently profitable and complies with applicable laws and regulations. It also verifies whether pursuing new or amended business proposals aligns with Robeco's strategic focus in terms of clients, investment strategies and services provided to clients. Another role of the Pricing Committee is to ensure fees are consistent for similar business proposals.

Customer Committee
The Customer Committee is responsible for assessing the acceptability of customer relationships from an integrity risk perspective. It provides a safeguard against the risk of accepting or continuing relationships with customers that do not fit within Robeco's integrity risk appetite or represent a threat to Robeco's reputation as a respectable financial institution. The Committee is mandated by the ExCo to ensure there is an explicit, coordinated and well-documented risk review of customers, especially those perceived to involve high risk to our integrity or reputation. Within the context of applicable laws and regulations, the Committee ultimately decides whether to accept or reject each client.

In addition to the five ExCo sub-committees, there is one supervisory board sub-committee that complements our risk management governance.

Supervisory Board – Audit & Risk Committee
Please refer to the 'Corporate Governance' section for a discussion of the Audit & Risk Committee's responsibilities and the Report of the Supervisory Board for a description of its activities in 2024.

Management review

Ongoing monitoring of risk management and internal control systems is embedded in Robeco's risk governance framework and provides insight into the key risks affecting Robeco. The relevant members of the ERMC discuss these risks with the ExCo. In addition, Risk Management submits and discusses reports regularly to the ExCo, Audit & Risk Committee and Supervisory Board.

It is important to note that well designed and implemented internal risk management and control systems significantly reduce, but cannot eliminate, the risks associated with poor judgment, human error, control processes being deliberately circumvented, management overriding controls, or unforeseen circumstances.

Based on the monitoring of our risk management, internal control systems and an awareness of their inherent limitations, we conclude that Robeco has sufficient insight into the extent to which its objectives will be realized and the reliability of its internal and external financial reporting.

Risk and control

Robeco has a comprehensive control framework (the Robeco Control Framework – RCF) that enables us to maintain control of our operations and helps ensure we comply with laws and regulations. The RCF consists of several components that enable us to identify, assess, control and monitor significant risks. Robeco's risk appetite plays a central role in the RCF as it provides high-level guidance to help us determine the significance of risks and define appropriate controls. We assess the RCF on an ongoing basis to determine whether the controls we have put in place are adequate to mitigate risks and whether the controls are operating effectively.

We regard the risk categories below as the most relevant in terms of their potential impact on Robeco's ability to pursue its strategy and business activities and to maintain a sound financial position.

Strategic risks
Strategic risks can be external or internal. External circumstances such as macroeconomic developments or increasing pressure on fees and competition may negatively affect our profitability. Continuous monitoring of these issues and diversification in terms of clients, asset classes and products can help mitigate their impact. Inability to meet our sustainability commitments, underperformance of our products or dependence on a limited number of key products could all represent internal strategic risks. We address these risks through our formal review, our approval procedure for new products and business initiatives, and by maintaining a well-diversified product range. Our Strategy 2021-2025 ensures that Robeco is focused on our key strengths, and that our wider product range remains relevant and available in all markets that we operate in.

Operational risks
Operational risks include failure to process or execute transactions and IT problems; risks relating to information security; data management; third-party, model and fraud issues; and legal matters. We define operational risk as the risk of loss resulting from the inadequacy or failure of internal processes, people or systems, or from external events. Robeco provides a broad range of services and products for different types of clients in various parts of the world. The nature of our business means we have considerable exposure to the operational risks we discuss above. As such, we perform periodic Risk & Control Self Assessments (RCSAs) to identify and mitigate operational risks. Controls identified during RCSAs are periodically tested and monitored to ensure their effectiveness.

Having a strong reputation for integrity is crucial if we are to retain the market's confidence and public trust in us. Fraud can undermine such confidence and trust. Therefore, we have established an approach to mitigate the risk of fraud, including actions to reduce our exposure to fraud risk and assessments of the effectiveness of our internal controls to reduce fraud risk. We have two Anti-Fraud Officers (AFOs), one from our Operational Risk Management department focusing on external fraud and the other from Compliance focusing on internal fraud. These AFOs are the first point of contact for any potential instances of fraud risk and ensure that such risks are dealt with in a timely and efficient manner. The AFOs have the following tasks:

- to perform gap analysis to identify controls missing from the RCF;
- to align with IT Security on the anti-fraud measures that we have implemented and consider ways to further improve fraud detection;
- to ensure that internal and external fraud incidents are properly followed up.

The risk of fraud exists within each department in Robeco. We have implemented measures to mitigate this risk, such as segregation of the duties of portfolio managers, traders and our middle and back-office staff. Although there is always a risk of internal fraud resulting from employees overriding or bypassing our internal controls, we consider this risk to be limited due to the way we segregate assets: no assets our products invest in can be stolen as they are held by custodians that only act upon instructions that follow agreed processes and authorizations.

Compliance and integrity risks

Robeco has a code of conduct that forms the basis of our Compliance Framework. This code describes the standards of behavior that Robeco expects of its employees. All employees must sign the code when they join the company; by signing the code they commit to act in accordance with it. All employees also annually confirm that they will continue to adhere to the code of conduct.

The number of regulations and supervisory body policies governing the asset management industry[34] has increased since the global financial crisis. Dealing with the uncertainty associated with new regulations is demanding, as their interpretation and the timeframes in which they are to be implemented are often unclear. Part of the operational risk we are exposed to therefore stems from the regulatory environment. To manage this risk, Robeco is actively involved in the process of developing regulation, both directly and through representative associations such as the European Fund and Asset Management Association (EFAMA) and the Dutch Fund and Asset Management Association (DUFAS). We monitor and assess the potential impact of planned regulations at an early stage, and relevant departments initiate and/or monitor the subsequent implementation of new or amended laws and regulations. Robeco performs a Systematic Integrity Risk Assessment (SIRA) periodically to assess our level of control over integrity risks as integrity risk events may lead to financial loss, financial misstatements and/or reputational damage. Robeco wants to ensure that it operates in a controlled way and that it is demonstrably in control of the integrity risks it is exposed to. Performing the SIRA is also a legal requirement.

Financial risks

Robeco is exposed to counterparty credit risk in respect of its cash balances and receivables. Default risk involves the risk that a counterparty will not honor its obligations to Robeco. To mitigate this risk, we have put in place a counterparty risk policy that is maintained by our Risk Management function. Its guiding principle is that counterparty risk should be mitigated wherever possible through the selection of counterparties (banks or other financial institutions) with high creditworthiness (based on strict rating criteria) and by limiting exposure to individual counterparties through diversification.

Market risk is the risk of the market prices of financial instruments falling, resulting in financial loss to the company. Robeco has limited direct market risk exposure, with the exposure that we do have resulting from fluctuations in foreign currency rates affecting our financial positions and cash flows (primarily related to receivables and payables, revenue to be received and expenses to be paid), and from interest rate risk affecting our current account balances. Interest rate risk is very low given the short duration of these positions, and foreign currencies are directly converted into euros to mitigate foreign exchange risk. Robeco is also exposed to market risk due to the investments in its seeding portfolio.

Indirect market risk is more important than strategic risk as our fee income is linked to our total client assets, which fluctuate in line with the financial markets. Declines in financial markets lead to lower income from management fees, which can reduce our profitability. The measures we take to mitigate this risk include offering a broad, well-diversified range of products and services covering various regions, currencies and asset classes, and maintaining a sound capital position.

Liquidity risk is the risk of Robeco being unable to honor its short-term obligations due to a lack of liquidity. To mitigate liquidity risk, cash positions are closely monitored by our Finance department and reported to the ERMC on a periodic basis.

We hold capital to cover all of the business risks we describe in this section. For counterparty and operational risks, the capital is calculated based on regulatory requirements. The capital requirement for business and strategic risk is based on an internal model that focuses on the key determinants of Robeco's revenues and costs while considering extreme market scenarios and flow assumptions.

→ *Read more about our financial risk management objectives and policies*

Sustainability risks

At Robeco we manage sustainability risk both in our investment portfolios and at the corporate level. Our sustainability risk policy sets out sustainability risk limits and controls for our portfolios, and how we should react in the event that a risk limit is breached. We apply a three-pillar approach that sets out minimum requirements to handle sustainability risk. The risk profile of Robeco as an entity is based on the revenues generated through our investment portfolios. In assessing corporate sustainability risk, Risk Management focuses on climate transition risk.

The potential effect of climate transition risk on our profitability is assessed by using four different climate transition risk scenarios. The results are compared to our capital requirement and may lead to it being increased if the expected impact is higher than the risk capital requirement. We explain this in more detail in the sustainability risks management section.

→ *Read more about our sustainability risk management in our Sustainability statements*

34. For example, the Financial Markets Amendment Act 2016 (Wijzigingswet financiële markten 2016), UCITS V, MAR, SFDR, EMIR, and MiFID II.

Our contribution to tax transparency

We aim to be a responsible taxpayer, and the way we approach tax in our daily operations at the company and product level is guided by our core values. This is reflected in our tax policy and tax principles, which form the basis of our Approach to Tax. While tax represents a cost to our company, paying it is an important part of our contribution to a healthy and sustainable society.

We strive to act in accordance with the Robeco Tax Policy at all times, as explained in our Approach to Tax. In practice this means that we want to comply with all applicable laws, regulations and reporting obligations and to apply good tax practices.

In this section we explain our approach to tax, which applies to Robeco[35] and Robeco's investment funds[36]. We go on to provide details of our total tax contribution, which is a direct result of the local business activities we perform.

Tax risk appetite and managing our tax risks

It follows from our tax principles that we have a low tax risk appetite and do not engage in aggressive tax planning. We proactively seek to identify, monitor and manage any tax risks to ensure we comply with laws and regulations. We have a Tax Control Framework in place that identifies, monitors and manages tax risks. This framework is an integral part of Robeco's risk and control infrastructure and is a key element in the cooperative compliance agreement between the Dutch tax authorities and Robeco. Robeco's Fiscal Affairs department is responsible for maintaining and updating our Tax Control Framework periodically.

If an incident occurs, our Operational Risk Management department analyzes it to improve applicable procedures. We also have complaints and whistleblower policies in place. Employees are expected to follow the procedures outlined in these policies to report any deviation from our Approach to Tax.

Our tax principles

1. Compliance
We are strongly committed to complying with both the spirit and the letter of applicable tax laws and regulations.

2. Transparency
We are transparent with our stakeholders about our tax affairs, our approach to tax and the amount of taxes we pay.

3. Tax follows business
We do not engage in aggressive tax planning. We only use business structures that are driven by commercial considerations and are aligned with our business activities. This also applies to our products, for which we endorse the widely accepted principle that investing in a fund should not result in a higher tax burden than investing directly in the same underlying financial instruments.

4. Relationships with tax authorities
We strive to establish and maintain mutually respectful relationships with tax authorities.

Governance

Our Executive Committee (ExCo) bears ultimate responsibility for the firm's compliance with relevant tax regulations and safeguarding its reputation in matters related to taxation. It has delegated the execution of this responsibility to Robeco's Fiscal Affairs department. The Head of Robeco Fiscal Affairs reports to the Chief Financial & Risk Officer and reports to the ExCo at least once a year on tax risks, tax developments and our adherence to our tax policy and tax principles.

The Fiscal Affairs department continually updates and deepens its knowledge of the current state of tax affairs. It seeks to enhance the company's tax compliance, control and reporting. The members of the Fiscal Affairs department also have KPIs on ongoing education as part of their performance appraisal process and set out an annual plan for themselves with projects and tax legislation that are to be monitored.

Our Internal Audit department performs audits on our Fiscal Affairs department. As our tax function has a low-risk profile, we only perform these audits every five years. Each year we describe our global tax position and whether we comply with our tax obligations for our sole shareholder, ORIX Corporation Europe N.V. If there is significant uncertainty or complexity in relation to a tax risk, we seek external advice in a timely manner.

Robeco's Fiscal Affairs department reviews Robeco's Tax Policy and Approach to Tax every two years. Our Tax Policy is endorsed by Robeco's ExCo.

35. Robeco refers to Robeco Holding B.V, its majority-owned subsidiaries and branches, and all legal entities not owned but controlled by one of these entities.
36. Robeco investment funds are investment funds that have appointed a Robeco entity as the management company and as a result the Robeco entity is responsible for the tax affairs of the investment fund.

Tax stakeholder engagement/public policy engagement

With the business environment constantly evolving, it is essential that we understand what matters to our stakeholders and that we contribute to public tax policy. As such, we:

- engage with the tax authorities of the jurisdictions that we operate in with integrity, respect, transparency, trust and, where applicable, cooperative compliance. We proactively share and discuss any material tax risk we are exposed to with the Dutch tax authorities, which – given the scale of our operations in the Netherlands and the fact we are headquartered there – is the most important tax authority for Robeco and in line with standard Dutch practice;
- engage in open and constructive dialogues with our stakeholders;
- participate in public policy discussions as a member of different industry associations, such as the Dutch Fund and Asset Management Association (DUFAS) and the European Fund and Asset Management Association (EFAMA).

Within Robeco, Fiscal Affairs works closely with our Finance, Legal, Product Management, HR, Risk Management and other teams to ensure that tax matters are addressed with the relevant departments.

Applying good tax practices to our investment funds

We apply the same tax principles that we outline above for our own operations to our investment funds.

Applying good tax practices – the companies we invest in

For the companies we invest in, where deemed appropriate, Robeco has developed a stewardship approach, which is based on our tax principles.

→ *Read more about how we apply our tax principles in our investment funds in our Approach to Tax*

Total tax contribution in 2024

The total amount of tax we pay and collect is based on a number of factors, including the locations of our offices, employees and clients, and the tax rates and rules of each of the countries we operate in. We apply a consistent global approach to allocating revenues and costs to the various businesses in the countries we operate in. This approach recognizes the economic contribution and economic benefit of the activities we perform in our various locations. Below we provide information on the activities we perform in the countries we operate in. We then provide details of the taxes collected and borne, which include:

1. Corporate income tax
2. Value added tax (VAT) and similar taxes
3. Payroll taxes

Business activities by country

In 2024 Robeco operated businesses through 15 offices in 13 countries covering 14 tax jurisdictions, in Europe, North America, the Middle East and Asia Pacific. There are more details in the Our offices section.

Table 10 | Overview of Robeco's international activities by tax jurisdiction in 2024

Tax jurisdiction	Primary activities	Average number of employees[1]	Net income from fees			Profit/loss before tax after elimination result subsidiaries[5]	Tangible assets (excluding cash and cash equivalents)[6]
			Third parties[2]	Intragroup[3]	Total[4]		
		FTE	*EUR x million*	*EUR x million*	*EUR x million*	*EUR x million*	*EUR x million*
Netherlands	Asset management & client relations	734	552.2	-139.6	412.6	85.6	42.8
Australia	Client relations	9	-	8.5	8.5	2.5	0.8
China	Asset management & client relations	13	0.1	0.0	0.1	-1.6	0.4
Dubai	Client relations	4	-	5.6	5.6	2.8	0.4
France	Client relations	9	-	11.8	11.8	5.6	0.6
Germany	Client relations	19	0.1	19.5	19.6	11.3	1.9
Hong Kong	Asset management & client relations	46	25.1	-9.2	15.9	2.7	2.3
Italy	Client relations	10	-	10.4	10.4	2.8	0.8
Japan	Investment management & client relations	16	5.8	-1.8	3.9	0.5	0.8
Singapore	Client relations	19	-	5.0	5.0	0.2	1.9
Spain	Asset management & client relations	11	-0.0	21.8	21.8	13.5	0.4
Switzerland	Asset management & client relations	84	3.5	47.8	51.3	14.7	4.2
United Kingdom	Asset management & client relations	34	-	24.2	24.2	9.9	4.1
United States	Investment research & client relations	13	14.2	-4.0	10.3	3.5	0.7
Total		**1,021**	**601.0**	**0.0**	**601.0**	**154.0**	**62.1**

1. Average number of employees is reported on the basis of the yearly average of full-time (40-hour) equivalents (full-time employment, FTE).
2. Net income from third parties fees reflects the net fee income from third parties within the respective countries. Given the nature of our business, not all countries receive revenues from third parties.
3. Net income from fees intra-group shows the net intragroup fee income received from another country. Given the cooperation between our portfolio management and sales teams on behalf of clients in different locations, the amounts reported in this column are based on the remuneration received for portfolio management activities, sales activities and different advisory or corporate support services performed cross-border.
4. The total net income from fees consists of the total net income from third parties and intragroup fees as discussed above.
5. Profit/loss before tax and after elimination result subsidiaries reflects the profit or loss for the year for each country before any corporate income tax is levied but after the elimination of the result of foreign subsidiaries and branches. Such eliminations only apply to the Netherlands and Hong Kong.
6. Tangible assets (excluding cash and cash equivalents) represent the net carrying amount of property, plant and equipment. See also note 9. Property, Plant and Equipment in the consolidated financial statements.

Tax reporting by country

Robeco's total tax contribution amounted to EUR 152.2 million in 2024, made up of taxes borne and taxes collected in the various countries Robeco operates in. Taxes borne include corporate income taxes, employer-related social security and irrecoverable value added taxes on our expenses and sales taxes. Taxes collected are the taxes we collect and pay as part of our business operations, such as recoverable value added taxes and withheld payroll taxes.

Table 11 | Tax collected and borne in 2024

Tax collected and borne	2024
EUR x million	
Corporate income tax	29.5
Value added tax and similar taxes	35.3
Payroll taxes	87.4
Total	**152.2**

Corporate income tax

Table 12 | Corporate income taxes paid and accrued by tax jurisdiction in 2024

Tax jurisdiction	Corporate income tax paid	Corporate income tax current year accrued
EUR x million		
Netherlands	13.8	22.4
Australia	-	-
China	0.2	0.0
Dubai	-	0.2
France	0.9	0.6
Germany	3.5	3.6
Hong Kong	0.6	0.4
Italy	0.6	0.8
Japan	-0.1	0.1
Singapore	-	0.0
Spain	3.4	3.3
Switzerland	4.1	3.2
United Kingdom	1.3	1.9
United States	1.2	1.0
Total	**29.5**	**37.5**

Explanatory notes:

Corporate income tax paid on a cash basis
The amount shown is the corporate income tax paid in 2024, regardless of the year it relates to. Robeco in the Netherlands is part of the fiscal unity of ORIX Corporation Europe N.V. (OCE), with OCE being the head of the fiscal unity and thus the entity with the tax liability for the entire fiscal unity. In the overview above, we define the tax sharing payments by Robeco to OCE as corporate income tax paid to the Dutch tax authorities.

Corporate income tax current year accrued
Accrued corporate income tax is the amount charged to the income statement in the reporting year. Movements in deferred tax positions through the income statement are not included. Positive amounts of accrued corporate income tax reflect the corporate income tax expenses, which amounted to EUR 37.5 million in 2024.

For the differences between the tax paid and accrued during 2024 and the profit in the respective jurisdictions multiplied by the statutory tax rate, we refer to the explanation given under the comments on the effective tax rate in 2024.

Effective tax rate

The effective tax rate (ETR) of Robeco was 24.3% in 2024. The ETR is the total tax expense (in other words, corporate income tax current year accrued) expressed as a percentage of profit before tax (in other words, profit/loss before tax after elimination result subsidiaries).

The ETR differs slightly from the statutory tax rate in the Netherlands, which was 25.8% in 2024. This is the result of differences in statutory tax rates in the tax jurisdictions we do business in. One of our businesses, Robeco Dubai, operates in a low-tax jurisdiction (in 2024: Dubai applied a 9% statutory tax rate). This branch is a licensed business with a local team that provides investment advisory and marketing services to clients in the Middle East. Although the corporate income tax accrued for the current year does not include the deferred tax position, incorporating deferred tax does not affect the ETR calculation. This is because the 2024 deferred taxes (for example tax-deductible deferred incentive costs, offsetting tax losses in Australia and France, and other timing differences) are nil on balance.

Value added tax (collected and borne)

Table 13 | VAT collected and borne by Robeco

Tax jurisdiction	VAT collected and paid	VAT charged to Robeco	VAT refundable from tax offices	Total VAT contribution
EUR x million				
Netherlands	4.6	33.5	-6.7	31.4
Australia	-	0.1	-0.1	-
China	0.1	0.1	-0.1	0.1
Dubai	-	0.0	-0.0	0.0
France	-	0.6	-	0.6
Germany	-	0.2	-0.0	0.2
Italy	-	0.7	-0.0	0.7
Japan	0.4	0.4	-0.4	0.4
Singapore	-	0.1	-0.1	0.0
Spain	-	0.9	-	0.9
Switzerland	0.9	1.3	-1.3	0.9
United Kingdom	-	0.7	-0.6	0.1
Total	**6.0**	**38.6**	**-9.3**	**35.3**

Explanatory notes:

- VAT collected and paid consists of VAT charged by Robeco on non-VAT-exempt services provided to third parties (clients).
- VAT charged to Robeco consists of VAT paid to Robeco suppliers for the goods and services we bought and VAT paid by Robeco according to the reverse charge system for cross-border and intercompany services.
- VAT refundable shows the VAT refunded or recovered from tax authorities on VAT paid. In the Netherlands and United Kingdom, the VAT refundable figure takes into account the applicable VAT pro rata in the relevant country in which VAT taxable and VAT exempt services are performed.
- Total VAT contribution is the sum of the VAT charged to Robeco and VAT collected and paid less VAT recovered.
- VAT is not applied in Hong Kong or the US, so we do not show VAT in the overview for those jurisdictions. Although a sales tax is levied on purchased goods in the US, the sales tax we paid in 2024 was not material and therefore not included in the overview.

To align with the corporate income tax disclosure, the amount of VAT that was settled in 2024 is included in the overview. The overview therefore shows the amounts regardless of the reporting period. In that respect it is important to note that as of 1 January 2024, we changed the frequency that we file VAT in the Netherlands from monthly to quarterly. The figures therefore show the VAT for the period from December 2023 to September 2024 (in other words, only 10 months). Our total VAT contribution for October 2023 and November 2023 amounted to EUR 5.5 million in the Netherlands.

It is important to note that collective portfolio management for regulated investment funds performed by asset managers such as Robeco can be exempt from VAT, including in the EU. In such cases, no VAT is charged to clients for these services. However, that also means that Robeco cannot reclaim the VAT that it has paid to its suppliers if it relates to collective portfolio management. This unrecoverable VAT is a significant VAT cost for Robeco, especially in the Netherlands, where we perform most of our portfolio management activities.

Payroll taxes (collected and borne)

Robeco collects payroll taxes in the form of withholding employment taxes on salaries and other employee benefits paid to its employees. As an employer, Robeco also bears payroll taxes in the form of employer contributions such as social security contributions. These collected and borne payroll taxes amounted to EUR 87.4 million in 2024, 76.7% of which related to our operations in the Netherlands.

Information security and cybersecurity

Robeco's business relies on the availability of accurate, complete data whenever needed, but only to those authorized to access it. Protecting our clients', employees' and company's data is a top priority for us. Our information security and cybersecurity efforts aim to safeguard Robeco's intangible assets (including our data, reputation, earned trust and innovations), prevent financial losses from cyberattacks and comply with laws and regulations. These efforts help us protect the value we generate and prevent security incidents and errors.

We have put in place a Digital Operational Resilience Strategy. It focuses on enhancing our resilience so that we can meet regulatory expectations and tackle threats as they evolve. The strategy is in line with Robeco's aim to enhance the security, operational robustness and resilience of our IT systems in support of our business objectives.

We have set out the following Digital Operational Resilience strategic objectives:

- implement measures to minimize the information security risks we are exposed to;
- protect our data and systems from unauthorized access, breaches and other security threats;
- educate our employees on responsible data handling and online safety;
- implement measures to protect IT-dependent business processes and limit the risks they are exposed to;
- manage our dependencies on external parties to reduce the risk of Robeco being subject to a cyberattack;
- embrace an 'Assume Breach' approach for swift detection, response and recovery. Breaches are inevitable, so it is important to focus on detecting unusual activities, containing any potential damage and implementing rapid countermeasures.

As an international asset manager, we are subject to the laws and regulations of several jurisdictions whose guidelines on information security and resilience are not all the same. That said, most of the guidelines and requirements share some common ground and are based on widely accepted frameworks. A particularly important regulation for Robeco is the EU Digital Operational Resilience Act (DORA), which came into force on 16 January 2023 and applied as of 17 January 2025. To ensure we comply with relevant laws, regulations and supervisory guidelines with respect to information security, we regularly assess what is required of us and update our Information Security Policy, Business Continuity Policy and relevant underlying procedures at least annually.

Our Information Security Policy aligns with the DORA regulation, the underlying Regulatory Technical Standards and the ISO27001 standard for information security management systems. Our Digital Policy, Control & Resilience department monitors our compliance with our Information Security Policy, supported by the Operational Risk Management department. It reports periodically to our IT Board. Information security and cybersecurity fall under the Chief Operating Officer's (COO) responsibilities. Our Chief Information Security Officer heads our information security function, reporting directly to the COO and functionally to our Executive Committee.

→ *Read more about our risk management objectives and policies*

In our current approach to cybersecurity, we have various processes and dependencies that are connected with other parts of the organization, external stakeholders and service providers. Robeco uses several outsourced services, including data centers, digital workplaces, back office, cloud computing and Software-as-a-Service. We use various tools and techniques to monitor the information security and cybersecurity capabilities of both Robeco and our service providers on an ongoing basis. A formal governance and reporting structure with our key IT service providers is in place, which involves direct reporting lines and assurance about the effectiveness of their control measures.

Robeco's approach to cybersecurity is that it:

- is every employee's responsibility;
- is embedded in strategic decision-making and adapts to, and benefits from, ongoing innovation;
- is driven by well-governed risk management, risk awareness and risk prioritization;
- is based on the prevailing backdrop and intelligence-driven, enabling us to identify threats and formulate a response in a timely manner;
- minimizes disruptions to our company and keeps pace with business growth.

We place great importance on sharing information about cyber threats with our peers to bolster the resilience and preparedness of the Dutch financial sector. Taking part in information-sharing groups also helps Robeco keep up to date on new and emerging cyber threats. We take part in the European Cyber Competence Network, the Dutch Financial Institution Information Sharing and Analysis Center (FI-ISAC) and the Financial Services Information Sharing and Analysis Center. We have also developed a Cyber Security Radar, which assesses cyber risks for Robeco and sets out the biggest potential threats we might face over the coming three years.

Highlights in 2024

To keep pace with the growing number of cyber threats, we enhanced our cybersecurity capabilities by integrating advanced security tools and introducing new security controls as part of our risk management framework. In 2024 there were no identified breaches of our systems, cybersecurity-related issues that adversely impacted our services, or business continuity events.

Since 26 February 2024, Robeco has been covered by cybersecurity insurance. This means we would be provided with an insured amount in the event of a cybersecurity incident and specialist support to help us respond and recover. Prior to obtaining this insurance we completed a cybersecurity assessment in which we obtained a score of 3.2 out of 4.0, above the industry average of 2.9.

Robeco uses a managed penetration testing service to determine vulnerabilities in our internet-facing environments, like our systems, applications and services connected to the outside world. Unlike occasional penetration tests, this managed service involves regular testing of environments, with each test followed by a review to confirm the effectiveness of the mitigations that are applied.

We carried out three penetration tests in 2024: on the Robeco Client Portal, on our internal Azure environment, and on our internet-facing Application Programming Interfaces (APIs). We did not identify any critical issues. Other issues that we identified were assigned to those responsible for follow-up.

During the year we enhanced our cybersecurity analytics by implementing a managed extended detection and response service. This third-party service provides proactive threat monitoring, incident detection and response, and actionable expert guidance, ensuring there is 24/7 surveillance of the Robeco IT environment.

Technical measures such as email filtering are complemented by our employee Security Awareness and Digital Operational Resilience Training Program. This program aims to integrate security behavior into our staff's daily routines. We conduct phishing simulations as part of the program to help our employees (including contractors using Robeco devices) identify and respond to phishing attacks. We also make it easy for our employees to report phishing emails to our IT Service Desk, such that 65% of our colleagues made use of the 'report phishing' option in 2024, up from 62% in 2023. We also further improved our email filtering to detect and block malicious emails from the outset.

We take appropriate measures to ensure the continuity of our important processes. These measures include annual updates of our Business Continuity Plans and Disaster Recovery Plans. We also perform regular tests to ensure these measures are effective. During the year we carried out an IT Disaster Recovery test for our complete data center environment in combination with our IT infrastructure and network. In the test all critical applications and underlying infrastructure components were recovered in the secondary data center and restored to the primary data center without our business being interrupted, and any issues or findings communicated to those responsible for follow-up. These tests show that we should be able to meet our recovery time objectives in the event of a disaster.

Outlook

As we move forward in 2025, our DORA project is becoming part of our business-as-usual activities. It involves monitoring the implementation of various activities as part of our ICT risk management framework. We are implementing yearly automated validation of business processes and of criticality levels of our ICT systems and data. We are also enhancing how we monitor our own systems, software and infrastructure, external threats that we may face and vulnerabilities in third-party services to reduce the likelihood of a security incident. Automated issue-solving functions will also address vulnerabilities in our ICT systems. Yearly automated validation of business function and criticality levels of our ICT assets is being implemented, as well as more extensive monitoring and automated issue solving functions. We will update the contracts of third-party vendors based on regulations and our policies and add exit plans where applicable. Finally, we will fine-tune the process of how we report major ICT incidents to regulators.

To enhance and substantiate Robeco's operational resilience, we put great importance on testing our ICT systems. We have implemented a Digital Operational Resilience Testing Program as part of our ICT risk management framework, which will take full force in 2025. This program includes testing our cybersecurity and business continuity capabilities, analyzing the results and reporting the findings to stakeholders. Doing so helps us address ICT-related incidents, identify deficiencies in our digital operational resilience and implement corrective measures.

Predicting cybersecurity developments remains challenging, so planning is crucial to protect ourselves against potential threats. Our Cyber Security Radar assesses the prevailing cyber landscape and defines solutions to counteract threats. Issues currently high on the Cyber Security Radar include the proliferation and professionalization of ransomware, threats delivered via malicious emails in the form of social engineering attacks targeting our employees, our systems being compromised via a third party or a part of our supply chain, and AI-driven threats.

Our investing strengths

Our key investing strengths

At Robeco, we see ourselves as a pioneer in the world of asset management, constantly evolving and adapting to the changing world around us while staying true to our values. Since our foundation in 1929 our pioneering approach has resulted in us innovating in a number of areas, which over time have become key strengths of our company.

For example, we were the first Western asset manager to invest in emerging markets, buying equities from Peru in 1930 – just a year after we were founded. Emerging markets went on to represent a key strength for us with the launch of bespoke emerging market, Chinese and Asia-Pacific equity strategies as early as the 1990s.

We were also the first asset manager in Europe to develop a sustainable investing product – the Green Certificate – in 1995 and were among the early adopters of quantitative investing techniques in that decade. We went on to become one of the pioneers of single-issue sustainability thematic strategies and, in credit, were one of the first European investors to launch a global high yield strategy. Our five key strengths of sustainable, quantitative, thematic, credit and emerging market investing do not stand in isolation – there is considerable overlap between them. For example, we use quant techniques in several of our emerging market strategies and run a range of sustainable credit portfolios.

In the following sections we provide more detail on these five key strengths.

Core strength #1:

Quant investing

Core strength #2:

Credit investing

Core strength #3:

Emerging markets investing

Core strength #4:

Thematic investing

Core strength #5:

Sustainable investing (SI)

Core strength #1:

Quant investing

Every investment decision we take at Robeco is grounded in research, and possibly nowhere is this more apparent than in our approach to quantitative investing, which is based on decades of in-depth analysis. Having been involved in this field since the 1990s, today we are widely recognized as one of the world's most prominent practitioners of quantitative investment techniques.

A strong quant team

We have one of the largest quantitative investment teams in the industry, with over 50 dedicated portfolio managers, researchers, client portfolio managers and investment specialists. This enables us to simultaneously focus on cutting-edge research, managing portfolios and serving clients from all corners of the globe. Our team consists of members with a diverse range of academic, work and personal backgrounds, helping us foster a culture of independent thinking and innovation.

Quant research

We are pioneers in the world of quant, with more than 30 years of experience researching the field and developing real-world client solutions as a result. Over the years our research papers have covered issues including how investing in low-volatility stocks does not lead to lower returns, how factor investing can be applied to the corporate bond market and why quantitative stock selection succeeds in emerging markets – all of which were groundbreaking at the time. Our team also maintains strong relationships with several universities to keep abreast of the latest academic developments.

→ *For more information see our Quantitative research page*

A wide range of quantitative strategies

Our quant team looks after more than EUR 80 billion of assets on behalf of our clients in a range of equity and fixed income strategies. Our equity solutions include Enhanced Indexing strategies that are a smart alternative to passive, Active Equities strategies that offer a risk-controlled way of generating alpha, Defensive strategies that provide investors with downside protection, and Next-Gen Quant strategies that leverage unique and innovative data sources and modeling techniques. In fixed income, we manage Factor-Based Selection strategies across sovereign and corporate bonds that are a smart alternative to passive, and Allocation strategies that use dynamic market timing in sovereign and corporate bonds to exploit short-term market inefficiencies and generate additional returns while providing diversification benefits.

All of these approaches are based on rigorous testing of ideas across diverse markets and timeframes, using extensive data sets to ensure they perform robustly in real-life conditions.

Looking to the future with next-generation quant

We have developed many innovative quant strategies over the years, and our new next-gen quantitative approach represents the next step in our journey. Next-gen quant harnesses advances in computing power, big data and advanced modeling techniques such as machine learning and natural language processing to unlock new opportunities and gain deeper insights into risk, return and sustainability.

We are using next-gen quant techniques to enhance our traditional strategies and develop new solutions. For example, the quality factor we use in our equities strategies uses alternative data on employee engagement, governance and resource efficiency, translating them using advanced modeling techniques into useful insights. Meanwhile, the Dynamic Theme Machine strategy we launched in 2024 combines next-gen quant techniques with our fundamental expertise in thematic investing.

Combining sustainability with quant

We integrate sustainability throughout our quant investment processes and across multiple dimensions: namely by excluding companies that are detrimental to society, incorporating sustainable alpha variables in our stock selection model, ensuring our portfolios are better aligned with companies that contribute positively to the UN SDGs than their benchmarks, ensuring our quant portfolios have lower ESG risk ratings and environmental footprints than their benchmarks, and reflecting active ownership (engagement and voting) activities in our portfolio positioning.

Core strength #2:

Credit investing

Robeco has been investing in corporate bonds since the 1970s and in 1998 became among the first European investors to launch a global high yield credit strategy. We also pioneered the use of the duration times spread risk measure that has become a standard in credit management around the world. Today, we manage around EUR 44 billion of assets in a range of credit strategies. The Credit team consists of around 10 portfolio managers and more than 25 credit analysts with a clear split in responsibilities.

A long track record of developing innovative credit strategies

We have been running dedicated credit portfolios since the 1990s. Since then we have gone on to develop several fundamental credit strategies, including European, global and emerging market credit, a financial institutions strategy and European and global high yield.

We also offer a number of quantitative, factor-based credit strategies. Robeco's work in quantitative fixed income dates back to 1995 and relies on an experienced and stable team that regularly produces award-winning academic research.

Consistent outperformance of our flagship strategies over the past decade

The table to the right summarizes the performance of our flagship credit strategies over the past 10 years. It shows that they outperformed their benchmarks over all rolling three-year periods within this timeframe.

Table 14 | Outperformance over the past 10 years of Robeco's flagship credit strategies

	Euro Credits	Global Credits	Emerging Credits	Financial Credits	Euro HY Credits	Global HY Credits	Quant Credits
2014-2017	0.35%	-	-	0.74%	0.80%	2.17%	-
2015-2018	0.88%	1.54%	-0.04%	1.35%	0.95%	2.10%	-
2016-2019	0.59%	0.80%	0.03%	0.76%	0.99%	0.68%	0.28%
2017-2020	0.63%	0.81%	0.49%	1.04%	1.09%	1.18%	0.43%
2018-2021	0.78%	1.44%	1.19%	0.53%	0.85%	0.48%	0.17%
2019-2022	0.90%	1.58%	1.10%	1.07%	0.29%	0.04%	0.36%
2020-2023	0.83%	1.13%	1.73%	0.99%	0.38%	0.70%	0.37%
2021-2024	0.77%	0.34%	0.78%	1.11%	0.20%	0.30%	0.03%

Source: Robeco. Euro Credits = Robeco Euro Credit Bonds (EUR) I-share, benchmark: Bloomberg Euro Aggregate: Corporates. Global Credits = Robeco Global Credits (EUR) IH-share, benchmark: Bloomberg Global Aggregate Corporates Index (hedged into EUR). Emerging Credits = Robeco Transition Emerging Credits (EUR) FH-share, benchmark: JPM Corporate EMBI Broad Diversified Index (hedged into EUR). Financial Credits = Robeco Financial Institutions Bonds (EUR) I-share, benchmark: Bloomberg Euro Aggregate: Corporates Financials Subordinated 2% Issuer Cap. Euro HY Credits = Robeco European High Yield Bonds (EUR) IH-share, benchmark: Bloomberg Pan-European HY Corporate ex Financials 2.5% Issuer Cap (hedged into EUR). Global HY Credits = Robeco High Yield Bonds (EUR) DH-share, benchmark: Bloomberg US Corporate High Yield + Pan Euro HY ex Financials 2.5% Issuer Cap (hedged into EUR). Quant Credits = Robeco QI Global Multi-Factor Credits (EUR) IH-share, benchmark: Bloomberg Global Aggregate Corporates index (hedged into EUR). December 2024.

Changing the face of credit risk management

Historically, measuring the true risk a credit portfolio is exposed to was one of the biggest challenges facing investors in corporate bonds. Robeco developed the duration times spread risk measure, which is based on the observation that the product of a bond's credit spread and its duration accurately predicts its future volatility. Duration times spread has found its way into all aspects of how we manage our credit portfolios and has become an industry standard for measuring credit portfolio risk.

Sustainability

We go beyond traditional financial analysis by integrating ESG factors in all your credit investment processes, recognizing their potential to materially impact an issuer's financial performance. We believe ESG integration provides deeper research insights, enhancing the risk-return profile of investments. Leveraging our SDG framework, we construct diversified credit portfolios across issuers and sectors that aim to deliver attractive financial returns while striving to support companies making a positive contribution to the Sustainable

Development Goals (SDGs). For certain companies with low SDG scores, we engage in dialogues that aim to improve their sustainability practices.

The Robeco credit team recently launched an innovative strategy that optimizes income while aligning with transition goals: Robeco High Income Green Bonds. This strategy can invest in attractive opportunities from all regions and segments of the corporate green bond universe.

Core strength #3:

Emerging markets investing

Back in 1930, we made our first emerging market investment in Peru. Today, we manage more than EUR 41 billion in emerging market strategies, a figure that grew by 39.2% over 2024.

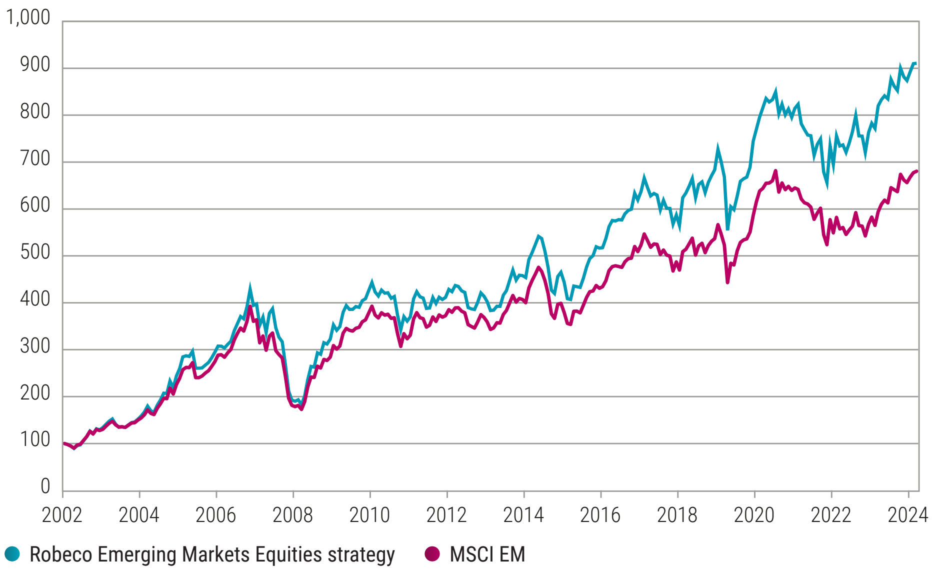
A wide range of emerging market investment strategies

In addition to our core fundamentally managed emerging equities strategy, which we launched in 1994, we run our Emerging Stars Equities strategy, which adopts a concentrated approach. In 2024 we launched an Emerging Markets Ex-China Equities strategy for clients seeking to carve out their exposure to China, and an Emerging Markets Climate Transition Equities strategy, which focuses on the transition to a low-carbon economy. We also provide a selection of regional and country strategies, including Asia-Pacific Equities and Indian Equities portfolios.

For clients who wish to take a quantitative approach to emerging markets we offer our Quantitative Investing (QI) Enhanced Index and QI Active Index strategies, which make the most of both our fundamental and quantitative expertise. Meanwhile, our QI Emerging Conservative Equities strategy provides exposure to emerging equities' return potential but with lower volatility than the broad market typically involves.

In 2024 we launched an Emerging Markets Bonds strategy, which seeks to outperform its benchmark by investing in both hard- and local-currency emerging market government bonds.

Figure 4 | Robeco Emerging Markets Equities strategy has consistently beaten its benchmark



Source: Robeco, MSCI, 31 December 2024

A long history of outperformance

In the three decades since its launch in 1994, our core Emerging Markets Equity strategy has significantly outperformed its benchmark, the MSCI Emerging Markets index, as we show in the chart above.

An experienced team

Robeco's emerging markets equities portfolio managers and analysts are embedded within our global fundamental and quantitative investment teams with professionals based in Europe, Asia-Pacific and the US. Our emerging markets team has deep industry experience, with its leadership intact since the foundation of our fundamental emerging market investing capabilities in 1994 and our quantitative emerging market investing capabilities in 2006.

High-quality research incorporating sustainability analysis

We have been taking sustainability into consideration in our emerging markets investments since 2001 and formally integrating ESG factors in our emerging markets investment process since 2011. We believe that assessing ESG risks is particularly important in emerging markets and helps us make better-informed investment decisions.

Core strength #4:

Thematic investing

Robeco has been a forerunner in thematic investing for over 25 years. We launched our first multi-sector thematic strategy in 1998, and since then our investment teams have collaborated to develop a diverse range of high-quality thematic investment strategies that had amassed a combined EUR 16 billion of total client assets by the end of 2024.

A broad product range

Our thematic strategies provide our clients with targeted exposure to investment themes that we believe will provide strong growth potential over multiple years and market cycles. We have designed our 14 thematic equity strategies to capture the sizable economic growth potential of three megatrends that we have defined – Transforming Technologies, Changing Sociodemographics and Preserving Earth.

Our thematic range has a strong focus on sustainability. For instance, our Smart Energy, Smart Materials and Smart Mobility strategies help drive the climate transition by investing in renewable energy, resource efficiency and electrification of transport and are classified as Article 9 funds under the EU's Sustainable Finance Disclosure Regulation.

We were also among the first asset managers to offer Sustainable Water, Circular Economy and Biodiversity strategies – all of which are essential ingredients in the longer-term transition to a sustainable economy.

Distinguishing features of Robeco's approach

- Problem-solving – we focus on investing in companies creating solutions to long-term challenges rather than short-lived fads.
- A passion for purity – we focus on companies whose revenues and performance strongly align with the respective theme.
- Disciplined active management – we seek to optimize the strategies' risk-reward profiles as market conditions shift and new trends emerge.
- Ample diversification – we invest across the entire thematic value chain, including different economic sectors, customer segments, market caps and regions.

Ongoing research and developments

The more than 30 members of our thematic investment team are constantly on the lookout for promising new trends to monetize on behalf of our clients.

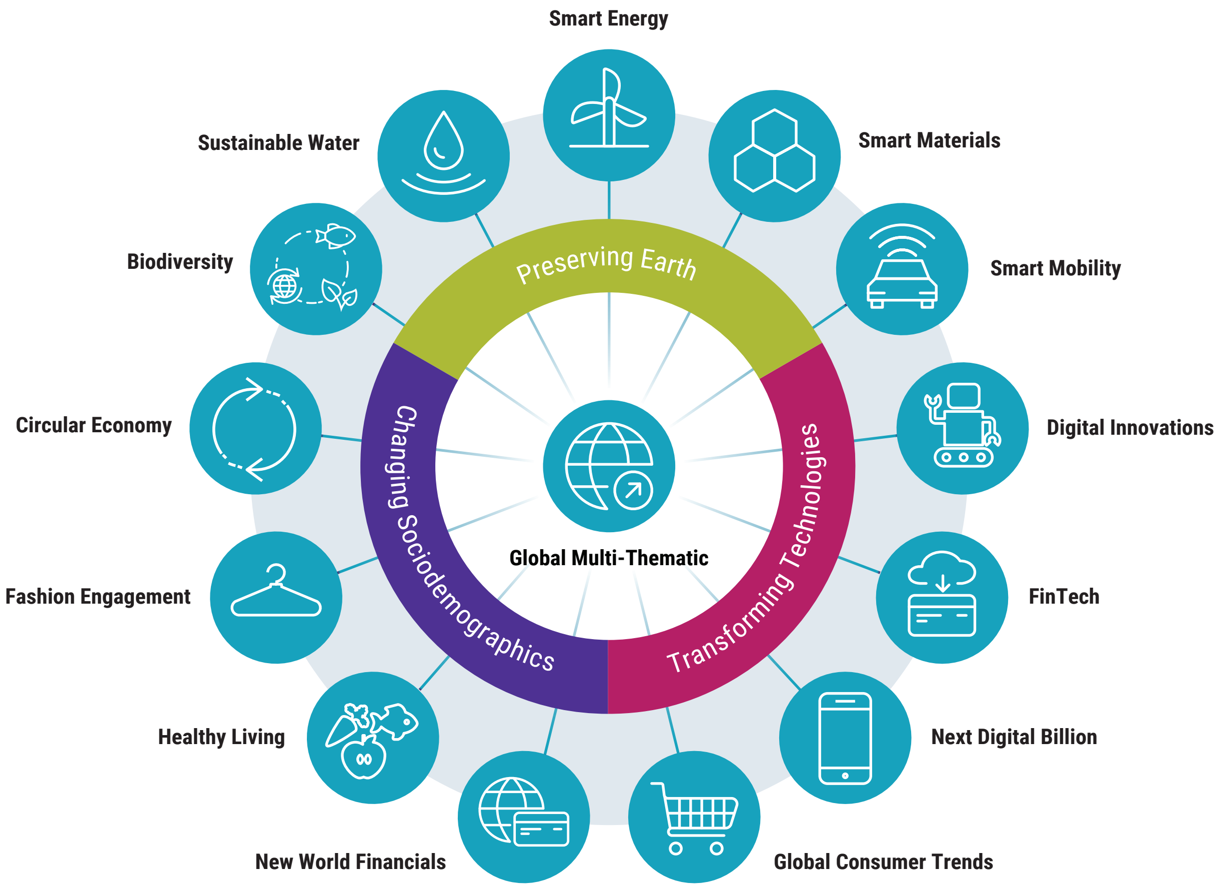
In 2023 we launched a first-of-its-kind fashion engagement strategy that enables investors to capitalize on long-term growth opportunities

presented by, and help drive sustainability in, the fashion industry. In Q2 2024 we launched an enhanced Global Multi-Thematic strategy, which allocates and calibrates exposure to the most promising underlying themes and companies from across Robeco's diverse range of thematic equity strategies. In Q3 we collaborated with our Quant team to create our Dynamic Theme Machine ETF, which uses quant models, AI algorithms and our thematic expertise to dynamically rotate into and out of attractive short- and long-term themes.

Rigorous research into emerging regulatory, demographic, consumption and technological data enables us to generate advanced insights and position our existing themes to capture areas of attractive return potential. For example, our research leads us to believe that companies involved in testing, treating and cleaning up PFAS (so-called 'forever chemicals') represent an attractive growth opportunity in our Sustainable Water strategy due to tightening regulations governing PFAS in the US and EU.

Meanwhile, years of rising labor costs, supply chain disruptions and reshoring trends have been benefiting our Circular Economy and Smart Materials strategies given their focus on robotics, automation and smart, resource-efficient manufacturing. In response to deglobalization, our Global Consumer Trends team is tapping into the growth of local brands in emerging and developed markets. What's more, breakthroughs in AI have been transformational to virtually all of our thematic strategies, from Digital Innovations and FinTech to Smart Mobility and Sustainable Healthy Living.

Figure 5 | A wide range of thematic strategies



Source: Robeco, 2024

Core strength #5:

Sustainable investing (SI)

Sustainability is at the core of all investing at Robeco. We integrate financially material ESG issues across our entire range of strategies, making us one of the few asset managers in the world to take such an all-encompassing approach. Our capabilities make us one of the world's leading sustainability asset managers.

External recognition

The strength of our approach to sustainability is reflected in our Morningstar 'ESG leader' rating, the 'Best asset manager across Europe and Asia' Morningstar award we won in 2023 and the highest possible scores we have consistently received in our Principles for Responsible Investment (PRI) assessments. We once again received the maximum five stars for sustainable investing from the PRI in its latest assessment in December 2024, earning a score above 90% in all of the seven main categories relevant for Robeco.

In 2023, Robeco was ranked the world's leading asset manager for sustainable investing in the latest ShareAction Responsible Investment Benchmark Report, and was the only asset manager to receive an AA rating out of the 77 global firms that were assessed.

Our sustainability publications have also won awards. For example, our 'Five things you need to know about Biodiversity Investing' brochure received the 'Best Biodiversity Impact Content' award from Pensions for Purpose in 2023.

Double materiality

At Robeco, we consider financial materiality when integrating sustainability in the management of investment portfolios, and consider double materiality for some of our investment portfolios. Double materiality means we analyze both the impact of sustainability on the financial value of our investments ('financial materiality') and the impact of our investments on the environment and society ('impact materiality').

Considering financially material ESG issues helps us make better-informed investment decisions, while considering impact materiality enables our clients to achieve their objectives in terms of investing in companies and countries that are making a positive impact, thus promoting sustainable development.

Proprietary sustainable investment research

Several departments in our company routinely conduct sustainability-linked research, from the ESG integration carried out by our investment teams to the specific research needed for engagement conducted by our Active Ownership team. In 2020, we created our Sustainability Center of Expertise to bring much of this together under one roof, and we went on to hire experts in our core themes of tackling climate change, restoring nature and contributing to the SDGs.

→ *To learn more about how we integrate ESG in our investments, see the Sustainable Investing solutions section*

Customized solutions

We acknowledge different investors have different beliefs and priorities when it comes to sustainable investing. As such, we have built a proprietary customization tool that we use together with our clients to create tailored portfolios that suit their unique needs from both financial and sustainability perspectives. How we do this, including the range of innovations and new strategies launched in 2024, is fully discussed in our 'Engineering our products' section.

Engineering new products

At Robeco, we are always analyzing trends in the markets and broader society to help us pinpoint new investment possibilities for our clients. Like everything else that we do, our product development process is rooted in a fundamental commitment to research that dates back to our foundation in 1929, when our first CEO stated that "*Every investment decision should be research-driven*".

In a world marked by increased change and uncertainty, we remain steadfast in our commitment to develop innovative, research-driven investment strategies. Below we provide details of some of the new products we launched in 2024.

Active ETF range

A major highlight of the year was the launch of our first active Exchange-Traded Funds (ETFs). The first three are global, US and European equity funds that are based on our 3D investing approach, which seeks to balance the three dimensions of risk, return and sustainability over the long run while making dynamic trade-offs between the three over shorter timeframes.

We now offer four active ETFs, which are listed on the London, German, Swiss and Italian stock exchanges:

- 3D Global Equity UCITS ETF: seeks to grow investors' capital over the long term by investing in actively selected listed equities from around the world;
- 3D US Equity UCITS ETF: the same approach, focusing on listed US equities;
- 3D European Equity UCITS ETF: the same approach, focusing on listed European equities;
- Dynamic Theme Machine ETF: seeks to identify nascent investment themes such as artificial intelligence early on, enabling us to capitalize on trends as they are emerging. It was shortlisted in the Thematic ETF of the Year category at the annual ETF Stream Awards for its innovative approach.

We also recently launched a 3D emerging markets ETF in April 2025.

Transition equity strategies

The world's attempts to meet the Paris temperature goals by achieving net-zero carbon emissions by 2050 have resulted in considerable focus on the transition to a low-carbon economy. We launched a number of transition-focused strategies in 2024, including Asian Transition Equities and Emerging Markets Climate Transition Equities. We also reconfigured our original Net-zero 2050 Climate Equities fund and renamed it Global Climate Transition Equities. The changes we made provide its management team with greater freedom in balancing the strategy's risk and return objectives. For example, it can now target higher-emitting companies that are actively decarbonizing rather than just firms involved in pure-play climate solutions.

The funds invest in companies that are leading the transition – those with credible net-zero climate plans, irrespective of their line of business –including climate solution providers and some involved in harder-to-abate activities such as consumer lifestyle and building products.

Climate index family

In 2024, we launched a climate index family consisting of the Developed Low-Carbon Climate Leaders Tilt Equities Index, the Developed Paris-Aligned Climate Leaders Tilt Equities Index and the Developed Climate Leaders Equities Index. We designed the range to cater to investors at different stages of their journeys toward net-zero.

The first index offers a low-tracking-error alternative to a passive market-cap-weighted index, and could be suitable for climate-conscious investors aiming to support companies aligned with the Paris Agreement. The second targets investors who want to meet the minimum requirements of the EU's Paris-Aligned Benchmark but are keen to integrate more forward-looking climate metrics and want greater exposure to climate solutions providers. The third focuses on climate leaders, and as such could be appealing to those looking to invest in companies leading the transition to a low-carbon economy. The three indices incorporate our Climate Traffic Light, SDG Framework and Climate Beta frameworks and metrics – all of which we discuss elsewhere in this report – to varying degrees in their construction process.

→ *Read more about our SI frameworks*

Developments in quant

We continuously look for novel signals that were previously untapped to give our strategies an edge over the competition. Today, we are finding novel signals in alternative data sources such as news articles and satellite imagery, and are using techniques such as machine learning and natural language processing (NLP) to exploit them. This has led to the development of what we call our 'next-generation' quant strategies.

In December 2023 we launched our Quantum Market Neutral Equities strategy, which uses next-gen quant techniques and combines long positions with short exposures. The Dynamic Theme Machine ETF that we referred to earlier also uses next-gen quant techniques to spot trends before they become evident. This can only be achieved using the kind of signals that act as preludes to investible opportunities. In one offbeat example, this included using machine learning to monitor Chinese slang in chatrooms that gave signals about investment habits among younger people.

Meanwhile, our existing Enhanced Indexing strategy merges the efficiency of passive investing with the potential to outperform an index. It provides market exposure while making small, calculated deviations to target stocks with stronger fundamentals.

OUR NEXT-GEN QUANT INCUBATOR

As part of our commitment to develop innovative quant solutions and enhance our product offering, in November 2023 we launched our Next-Gen Quant Incubator. Through this initiative we are using the power of alternative datasets and advanced modeling techniques – including machine learning and natural language processing – to design, launch, test, and refine next-gen quant investment strategies in real-world conditions.

The incubator provides a live-testing environment that enables us to further refine the strategies, addressing any initial problems and ensuring they meet client needs. It means that they are rigorously tested in real-world conditions, and it also enables them to build up a track record, paving the way for commercialization.

Thanks to the incubator, in 2024 we successfully launched the Robeco Dynamic Theme Machine ETF, which uses artificial intelligence to identify emerging themes of interest and determine the best time to exit them before trends turn unfavorable. This is contrast to traditional thematic strategies, which invest in a static set of themes regardless of their return potential.

In 2025 we aim to launch the Robeco AI Small-Cap Equities Strategy, which will use machine learning techniques to identify small-cap stocks with high return potential. Meanwhile, we continue to test and refine several other strategies within the incubator.

We believe this initiative is an excellent example of how Robeco combines innovation with prudence, rigorously testing ideas before we make them available to our clients.

New thematic digital infrastructure strategy

In 2024, we launched the Gravis Digital Infrastructure Income strategy, which seeks to invest in best-in-class real estate and infrastructure companies. It provides exposure to tangible assets such as communication towers, data centers, distribution centers, fiber optic networks, smart grids, battery storage and warehouses. All these assets are linked to the theme of electrification, which is vital to global decarbonization.

The fund is managed by a London-based team at Gravis, a boutique asset manager that specializes in real estate, infrastructure and clean energy.

Two new emerging market debt strategies

Robeco has a long-standing reputation as an active fixed income manager across both developed and emerging markets. In 2024, Robeco expanded its capabilities by welcoming a new Emerging Market Debt (EMD) team and launching two dedicated strategies: Emerging Market Bonds and Emerging Market Bonds Local Currency.

Green bonds

In 2024, we launched our new High Income Green Bonds strategy. Combining active interest rate management and credit selection, it invests in green bonds issued by governments, government-related agencies and companies. Only green bonds that meet stringent criteria and align with the latest sustainable finance regulations are eligible for inclusion in the portfolio, ensuring that our investments make a genuine positive impact on the environment.

Working toward the transition with emerging market credits

We launched two transition-focused credit funds in 2024: Transition Emerging Credits and Transition Asian Bonds. They allocate capital to companies and other issuers that are actively transitioning themselves or are enabling the transition to a more sustainable future.

Integrating sustainability in our investments

Sustainability is a key element in our corporate strategy. To support our strategic ambitions in this area, in 2021 we launched our Sustainable Investing (SI) strategy 2021-2025. Our ambition is to be the first port of call for clients when they start their sustainable investing journey, and as part of our strategy we provide sustainable investing solutions for all clients. We have designed some of these solutions specifically to make a positive impact on society or the environment.

Our Sustainable Investing strategy

Our Sustainable Investing strategy is underpinned by Robeco's core beliefs: every decision we make is research-driven, we adopt a 'pioneering but cautious' approach, and we believe that ESG integration leads to better-informed investment decisions and better risk-adjusted returns.

Figure 6 | The six pillars of our Sustainable Investing strategy

SIX PILLARS

Sustainable investing solutions for all clients	Sustainable investing represents a key business opportunity for Robeco. We aim to grow our market share of assets under management in sustainability-oriented investment strategies by providing a broad choice of profitable, innovative products that includes thematic strategies offering solutions to sustainability challenges, Paris-aligned fixed income and equity strategies, and sustainable indices.	→ *For more information, see the Sustainable investing solutions section*
High-quality sustainable investing intellectual property	Robeco has integrated ESG in its investment processes since 2010 and now routinely integrates sustainability factors in the investment processes of its entire range of fundamental equity, fixed income, quantitative and bespoke investment strategies. We intend to further enhance our approach to sustainable investing by focusing on climate change, biodiversity, human rights and the Sustainable Development Goals (SDGs).	→ *For more information, see the Climate change, Nature, Social issues sections*
Create real-world impact	We aim to support positive real-world impact through our investment-related activities. For example, through voting and engagement we encourage the companies we invest in to adopt sustainable practices. We are continuously improving our approach and the tools we use to measure both the positive and negative impacts of the companies we invest in and how we report on those impacts.	→ *For more information, see the Stewardship section*
Build partnerships	We believe it is vital to take part in collaborations and strategic partnerships to make progress toward sustainability goals. We build partnerships with certain clients to support them on their sustainable investing journeys. Through close collaboration and partnerships with academia and non-governmental organizations, we aim to strengthen our proprietary research and collaborate through knowledge-sharing on topics such as climate change, biodiversity and the SDGs.	→ *For more information, see the list of our association memberships and participations in external initiatives*
License to operate	To maintain our license to operate we aim to comply with continuously evolving regulations and wider society's expectations on sustainable investing. The European Union's Sustainable Finance Disclosure Regulation (SFDR), which came into effect in 2021, has been a key area of focus for Robeco. We also place great emphasis on the quality, reliability and coverage of ESG data.	→ *For more information, see the sections on our Sustainable investing solutions and ESG data quality*
Walk the talk	We believe we need to live up to the same standards that we expect of others. At Robeco we walk the talk by integrating sustainability in our business operations. At the same time, through our Sustainable Investing Academy, we increase the awareness and understanding of and involvement in the sustainability of our employees across the globe.	→ *For more information, see the section on Operational environmental footprint*

Sustainability expertise, targets and goals

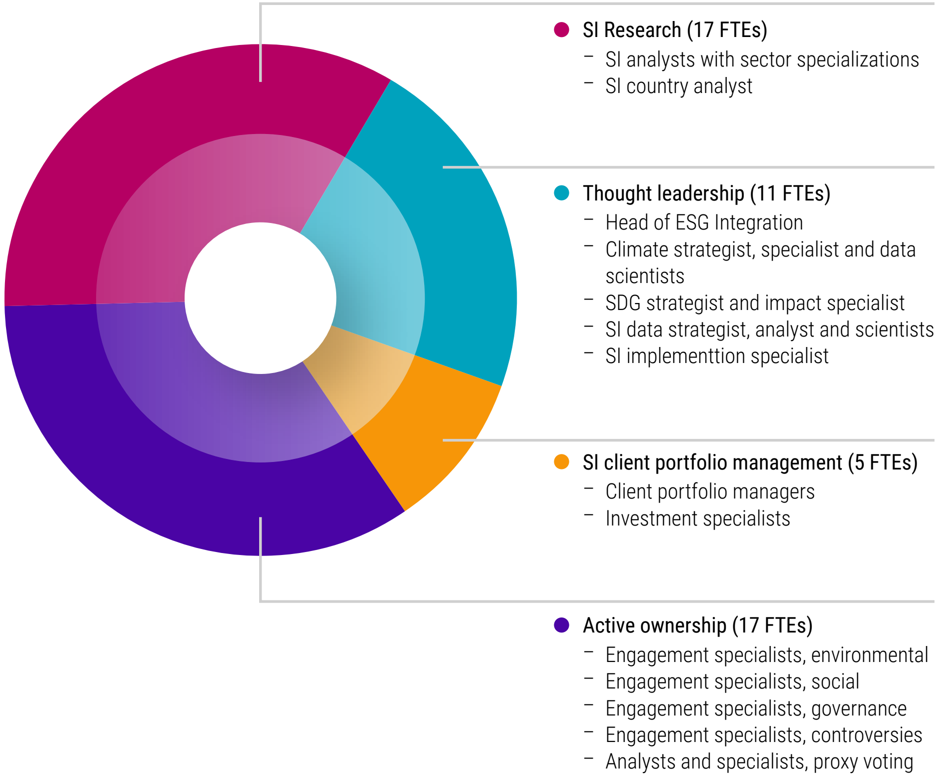
Every Robeco employee plays a role in our Sustainable Investing strategy. The strategy sets out our sustainability ambitions, which are backed up by action plans. We have set forward-looking, impact-oriented key performance indicators (KPIs) to measure the progress of both our business and each member of staff, and these KPIs form an important part of our performance management cycle.

Our Sustainable Investing Center of Expertise is a focal point within the company for all our sustainable investing activities. It delivers sustainable investing expertise and insights to our investment teams, clients and the broader market.

The center has four focus areas:

1. Active ownership
2. Thought leadership
3. Sustainable investing research
4. Sustainable investing client portfolio management

Figure 7 | Robeco's Sustainable Investing Center of Expertise



Source: Robeco, 31 December 2024

SUSTAINABLE INVESTING IN A FRAGMENTED LANDSCAPE

Sustainable investing is at a crossroads. While it remains a core differentiator for Robeco, the landscape is becoming increasingly complex and fragmented. Regional differences in sustainability approaches are widening, with divergent regulations and shifting client expectations. The recent exit of North American banks and asset managers from net-zero alliances highlights this fragmentation. We also see increasing policy uncertainty and growing concerns about the global commitment to climate action.

Despite these challenges, we believe the financial industry's long-term commitment to net-zero remains intact. But the path forward is less clear, making it harder for clients to navigate the evolving landscape. While some regions are speeding up their sustainability ambitions, others are slowing down, leading to changing demands and varying levels of client readiness.

At the same time, it is becoming ever-more urgent to take action. 2024 marked yet another record-breaking year for global temperatures, reinforcing the long-term risks and opportunities that sustainability presents. Clients require guidance and solutions tailored to their needs, and at Robeco we remain committed to helping our clients navigate their sustainable investing journey.

Robeco's dedicated sustainable investing capacity has grown significantly in recent years. By the end of 2024, there were 50 members in our Sustainable Investing Center of Expertise, compared with 33 in 2021. SI Center members work closely with the 200+ members of our investment teams who are responsible for integrating sustainability in their investment strategies.
In 2024, we further expanded our SI Open Access initiative, making Robeco's SDG scores for over 30,000 companies available on Bloomberg. Having developed these scores in 2017, we first made them available to clients and academics in 2022 as part of SI Open Access and in 2023 we made them freely available to anyone on Robeco's main website.

We developed a new proprietary controversy score for our proprietary SDG Framework, which considers companies' actions from the perspective of the impacts they make rather than their financial return prospects. We also continued to develop our social issues framework and our Biodiversity Traffic Light, which will complement our SDG Framework. We further developed our climate engagement program with the aim of helping foster the climate transition in the broader economy.

→ *Read more about our proprietary SDG Framework*
→ *Read more about our active ownership activities in the Stewardship section*
→ *Read more about our social issues framework*
→ *Read more about our Biodiversity Traffic Light*
→ *Read more about our climate engagement program in the Climate change section*

In 2024 we made significant strides in executing our net-zero roadmap, as we discuss in the section on climate change. We also continued our involvement in the Climate Action 100+ group; Robeco is the lead engagement manager for 12 investee companies.

Below we set out some of our key ambitions for 2021-2025, our achievements in 2024 and our goals for 2025 and beyond for each of our sustainable investing pillars.

Table 15 | Our sustainable investing ambitions, achievements and goals

OUR SUSTAINABLE INVESTING AMBITIONS, ACHIEVEMENTS AND GOALS

Pillar	2021-25 ambitions include	Achievements in 2024 include	Goals for 2025 and beyond
Sustainable investing solutions for all clients	• Develop a suite of innovative sustainable investing products • Top brand recognition for sustainable investing	• Launched a suite of (climate) transition products across asset classes • Launched a range of ETFs, which optimize risk, return and sustainability	• Continue to design customized solutions optimizing risk, return and sustainability for large institutional clients
High-quality sustainable investing intellectual property	• Top-notch ESG integration • Establish and implement an ambitious but realistic climate strategy • Establish the SDGs as a core theme in our activities • Establish biodiversity and human rights frameworks	• Made SDG scores available on Bloomberg • Continued to execute our net-zero roadmap, phasing in upstream Scope 3 emissions for the first time • Rolled out our new controversy framework • Published multiple academic articles on the SDGs • Updated company dashboard, which consolidates sustainability information	• Develop a combined climate and nature roadmap • Full roll-out of social issues framework and social traffic light • Full roll-out of our Biodiversity Investment Framework and Biodiversity Traffic Light
Create real-world impact	• Measure positive and adverse impacts of our funds • Provide digital and interactive sustainable investing reporting to showcase real-world impact to our clients • Further develop our measurement of the impact of our active ownership efforts	• Further progressed in our sovereign engagement with Australia • Added Canada as a new sovereign engagement case focusing on climate • Enhanced how we measure the impacts of our engagements	• Add further relevant themes to our engagement program
Build partnerships	• Contribute to leading sustainable investing initiatives and continue reputation as a sustainable investing leader • Further develop sustainable investing partnerships with clients • Bolster involvement in academic networks to strengthen the outside-in research perspective	• Continued our involvement in sustainable investing initiatives such as the Climate Action 100+ group • Contributed to research on how to finance nature by the Cambridge Institute for Sustainability Leadership, which is one of our academic partners	• Help more clients implement their own net-zero commitments
License to operate	• Meet requirements of the EU Sustainable Finance Disclosure Regulation • Focus on quality, reliability and coverage of sustainable investing data and analytics	• Further enhanced the sustainable investing information we provide in fund factsheets • Launched initiative to enhance the reliability of our Scope 3 emissions data	• Run ongoing training sessions for colleagues across the organization on future trends in sustainable investing regulation • Assess and set EU taxonomy alignment targets for selected funds
Walk the talk	• Increase knowledge of sustainable investing across the company • Foster a workplace that reflects our diverse communities, and where everyone feels seen, heard, valued and empowered to succeed • Step up Robeco's sustainability efforts in operations and reporting	• Published our first Integrated Annual Report combining financial and sustainability information • Developed an engagement approach toward reducing the carbon footprint related to our key suppliers • Continued conversations to further develop our approach to business travel • Ran Connect & Learn sessions on corporate sustainability topics	• Publish an Integrated Annual Report fully in line with the Corporate Sustainability Reporting Directive • Agree decarbonization plans with our key suppliers with the largest carbon footprints

Sustainable investing solutions

Our growing range of sustainability-oriented investment solutions is a reflection of our mission to help our clients achieve their financial and sustainability goals. In 2024 we continued to integrate financially material ESG issues in our investment decisions. While we have been integrating ESG since 2010, we are always striving to enhance our approach to ESG integration, and made a number of improvements during the year. We also dedicated significant time and effort to ensuring our fund range complies with EU guidelines on fund naming.

Integrating sustainability in our investment processes

At Robeco, we consider financial materiality when integrating sustainability in the management of investment portfolios, and consider financial materiality and impact materiality (double materiality) for some of our investment portfolios. This involves considering the impact of sustainability factors on the financial value of our investments ('financial materiality') to help us make better-informed investment decisions and, for specific strategies or client solutions, the positive or negative impacts of our investments on the environment and society ('impact materiality'). Our SDG Framework, forward-looking climate metrics and exclusion policy help assess the impact materiality in our investment portfolios. Meanwhile, our stewardship activities aim to increase the positive impacts the companies and governments we invest in make and reduce or mitigate any negative impacts.

→ *Read our Sustainability Integration approach and guidelines to learn more about how we integrate ESG in our investments*
→ *Read more about our Sustainable Investing key strengths*
→ *Read more about our Stewardship activities*

Strategies with a range of approaches to sustainability

Providing clients with a full range of investment solutions that cater to their sustainable investing needs is a key pillar of Robeco's Sustainable Investing strategy. Doing so supports our company's mission to help our clients achieve their financial and sustainability goals by providing superior investment returns and solutions.

We integrate sustainability to varying degrees across our investment products. We integrate financially material ESG considerations in 98% of our investment strategies. We have also developed a broad range of investment strategies whose impacts on the environment or society we consider.

We include a detailed description of the sustainability profile of each product in the prospectus of our investment funds and on our website. Our fund factsheets provide details of each fund's sustainability performance in the form of measures such as carbon footprint, ESG score and active engagements.

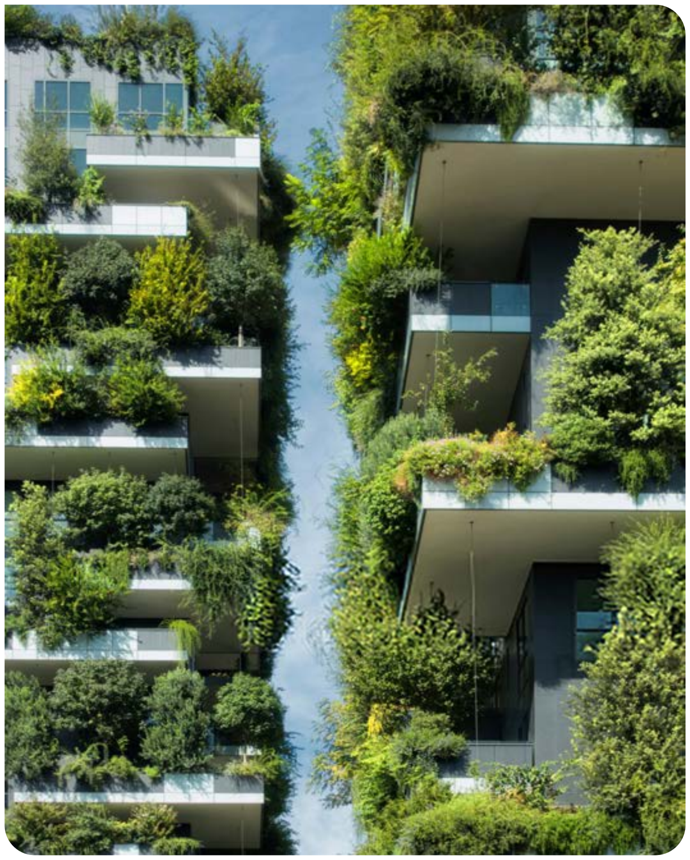


Table 16 | Overview of Robeco's product range and sustainability objectives

<table>
<tr><th>Investment Strategies</th><th>Objective</th><th>Examples</th><th>SFDR classification</th></tr>
<tr><td>ESG Integrated</td><td>Integrate financially material ESG issues into decision making and apply exclusions, engagement and voting.</td><td>Robeco Emerging Markets Equities,
Robeco Sustainable Global Stars Equities</td><td>Art. 6</td></tr>
<tr><td>Portfolio engagement</td><td>Create positive impact by investing in companies which can show progress on specific sustainability topics and which are open to engagement</td><td>Robeco SDG Engagement Equities,
Robeco Fashion Engagement Equities</td><td rowspan="4">Art. 8</td></tr>
<tr><td>Transition</td><td>Invest in issuers that are making, enabling or financing the transition to a world with lower carbon intensity, less impact on nature and fairer societies</td><td>Robeco Global Climate Transition Equities,
Robeco Asia Transition Bonds</td></tr>
<tr><td>3D investing</td><td>Careful weighing of risk, return and sustainability factors. The portfolio should have an attractive sustainability profile over time, but this profile can fluctuate given market conditions</td><td>Robeco 3D ETF range</td></tr>
<tr><td>Sustainable</td><td>Invest in companies that are contributing positively to sustainable development and/or reducing exposure to companies that do harm</td><td>Robeco Sustainable Emerging Stars Equities,
Robeco Sustainable Property Equities</td></tr>
<tr><td>SDGs</td><td>Invest in companies that contribute positively to the Sustainable Development Goals</td><td>Robeco Global SDG Equities,
Robeco Global SDG Credits</td><td rowspan="4">Art. 9</td></tr>
<tr><td>Climate</td><td>Invest in issuers that are aligned with the Paris Agreement</td><td>Robeco Climate Global Credits,
Robeco QI SDG & Climate Beta Equities</td></tr>
<tr><td>Sustainable thematic</td><td>Invest in companies that are contributing positively to sustainable development in specific themes</td><td>Robeco Smart Energy,
Robeco Sustainable Water</td></tr>
<tr><td>ESG Bonds</td><td>Invest in bonds that contribute to climate and environmental targets</td><td>Robeco Global Green Bonds</td></tr>
</table>

The impact of new fund naming regulation

In 2017 we introduced sustainable investing fund labels (Sustainability Inside, Sustainability Focused and Towards Impact) to help our clients navigate our sustainable investing fund range as there was no standard naming system in the market at the time. Since then, we have been reporting on these internally developed categories.

However, there are now EU regulations setting out sustainability labels and categories that funds must abide by. For example, the Sustainable Finance Disclosure Regulation (SFDR) requires funds to be categorized according to their sustainability credentials, and in 2024 the European Securities and Markets Authority (ESMA) released guidelines on the naming of funds, setting minimum requirements for funds whose names contain terms like 'sustainable', 'transition', 'impact' or 'ESG'. Meanwhile, our fund range has grown to include new approaches to sustainability (such as our transition, 3D and engagement strategies) that do not fit with our existing sustainable investing fund labels.

For these reasons, we stopped using the Sustainability Inside, Sustainability Focused, and Towards Impact labels as of December 2024, and instead report based on the SFDR regulatory classifications in this Integrated Annual Report.

The new ESMA fund naming regulation came into effect for new funds from November 2024, and for existing funds it will be effective from May 2025. In 2024 we analyzed its implications for our fund range. If our products do not adhere to the minimum standards set by the regulator, we have two options: adapt their sustainability profile to meet the minimum standards, or remove the sustainability-related terms from the name of the product in question. We will report separately on the impact on our fund naming system and investment strategies in 2025.

Growth in sustainable investment strategies and solutions

Our total client assets in ESG-integrated strategies grew by 18,9% in 2024, primarily driven by market movements. As at the end of 2024, 98% of our assets integrated ESG considerations in their investment processes. The remaining 2% invested almost entirely in derivatives, for which it is too complex to integrate ESG. As such, changes in our ESG-integrated client assets largely mirror the overall movements in Robeco's total client assets.

This is the first year we report on the SDFR classification for our Assets under Management, which consists of our funds and mandates. 29% of our assets under management are classified as article 6, 56% as article 8 and 4% as article 9 (see figure below)[37]. Looking at our funds only, more than 95% are classified as article 8 and 9, and the rest are classified as article 6.

37. A mandate is classified as article 8 if it follows Robeco's exclusion policy at a minimum. It is classified as article 9 if it follows the same strategy as an investment product that is classified as article 9. The rest of the mandates are classified as article 6 as we do apply ESG risk management to all assets. The mandates not classified as article 6, 8, or 9 consists of mandates from clients not subject to SFDR.

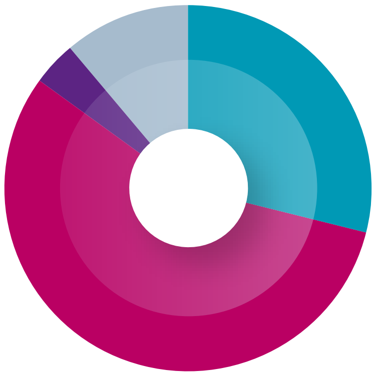
SFDR ARTICLE 6, 8, AND 9 FUNDS

The SFDR requires asset managers and pension funds to classify their products according to three Articles of the EU directive. Under this system, a strategy is classified under either Article 6, 8 or 9.

- Article 6: Funds that have no sustainability focus.
- Article 8: Funds that do not have a sustainable investment objective but do promote environmental or social characteristics. To receive Article 8 classification the companies and/or countries the fund invests in must follow good governance practices.
- Article 9: Funds that have a sustainable investment objective.

For each classification, different rules apply in terms of both the funds' level of transparency about sustainability characteristics as well as their levels of sustainable investments. For example, Article 8 funds can set their own sustainability targets as long as they are transparent (which can be achieved by reporting in the funds' prospectuses and annual reports), whereas Article 9 funds need to allocate 100% of their assets to sustainable investments.

Figure 8 | SFDR classification all funds and mandates



Article 6	29%
Article 8	56%
Article 9	4%
Not applicable/ Not classified	11%

→ *Read more about the SFDR classifications here*

Launch of 3D ETFs

After introducing a range of transition strategies in 2024, we also developed what we refer to as our 3D investments, with their three-dimensional approach: risk, return and sustainability.
By integrating sustainability as a third dimension alongside risk and return, 3D investing enables us to further optimize our portfolios to meet specific objectives. It is important to bear in mind that a 3D portfolio's sustainability profile may fluctuate over the short to medium term based on the characteristics of the companies we invest in. For instance, if companies with strong sustainability characteristics become overvalued, we may reduce our exposure to them due to the portfolio's focus on risk and return as well as sustainability, which could temporarily affect its sustainability profile. That said, we expect these strategies' performance and sustainability profiles to be attractive relative to those of their benchmarks over the long term[38].

Enhancing how we integrate financially material ESG issues to make better-informed decisions

Robeco has been routinely integrating financially material ESG issues in its investment processes since 2010. While this has been part of our day-to-day work for many years, we continuously seek to make improvements to our approach. In 2024 we made the following enhancements.

Fundamental strategies

During the year we further harmonized our approach to ESG integration across all our fundamental investment teams. We updated our company dashboard, which consolidates sustainability information for 14,000 companies, to include a color-coded overview table suggesting which ESG issues our teams should consider in their investment analysis. Our SI research team identifies these issues as financially material and rates the performance of the company for each issue. The dashboard also highlights companies making material positive or negative impacts on climate, the SDGs or Principle Adverse Impacts or that are involved in controversies.
This new dashboard should enable our investment analysts to quickly find the most material issues to analyze for each firm. If a company is managing all the selected issues well, it might be the case that no further research is required. If there are many red flags in the dashboard, more in-depth analysis and cooperation with the SI research team are probably necessary. The idea behind this new approach is that it makes it easier for our investment analysts to spend more time researching the most important matters.

Quantitative strategies

Our quantitative investment team made two improvements to its approach to ESG integration.

1. Use of climate traffic lights in investment strategies

In 2023 we introduced our Climate Traffic Light to help us assess a company's alignment with the Paris Agreement. This measure evaluates a company's emission reduction targets and the likelihood of achieving them[39]. We now use this measure in Robeco's SDG & climate strategies to ensure their exposure is tilted toward companies that are working toward adhering to the Paris Agreement, especially in high-impact climate areas like energy, utilities, materials and transport.

2. Position-sizing taking into account enhanced engagements in quant credit portfolios

Robeco actively engages with companies to influence their behavior, particularly those breaching international social and climate standards or that are adopting poor governance practices. Our enhanced engagement program addresses these issues with such companies, with the potential for exclusion from our investment universe if there is a lack of progress. Our quantitative equity portfolios already implemented smaller position sizes for companies in our enhanced engagement program, and we extended this approach to our quant credit portfolios in 2024.

→ *Read more about our active ownership activities in the Stewardship section*

38. More information on our 3D approach can be found at 3D Investing: Jointly optimizing return, risk, and sustainability | Robeco Nederland
39. Please find more information on the methodology in the forward looking climate analytics methodology document on our website.

Our sustainable investing frameworks

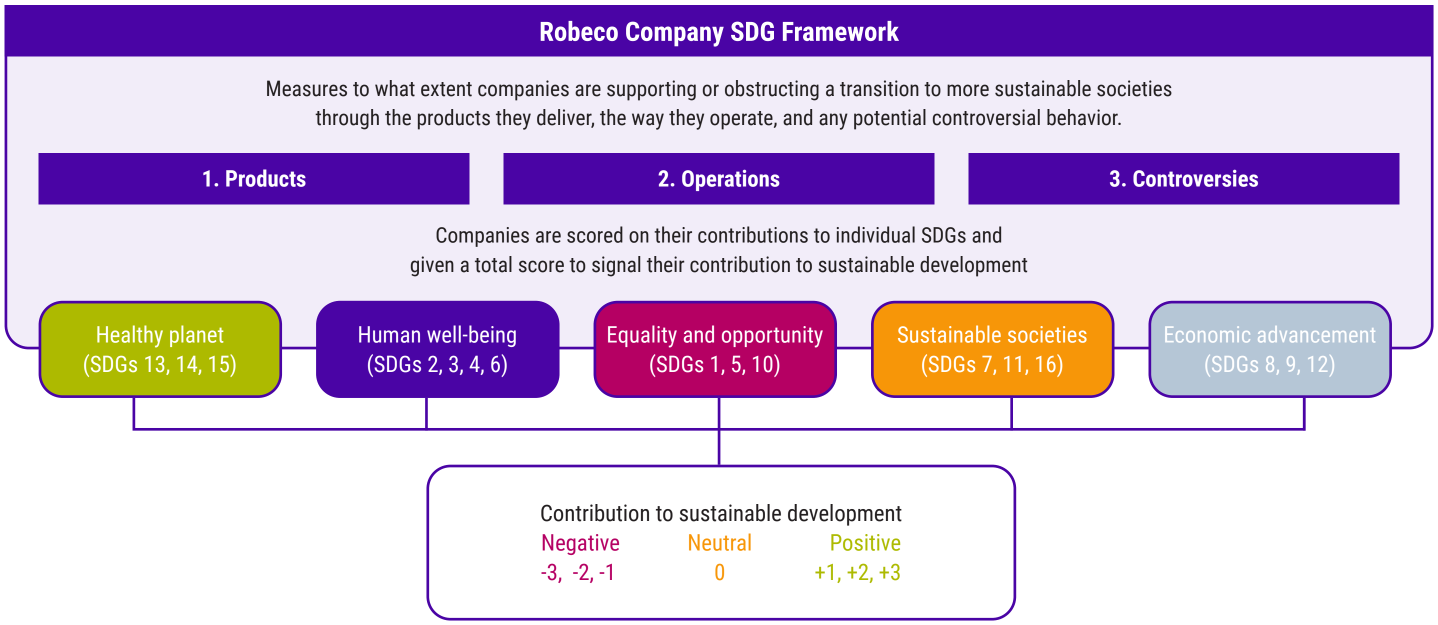
Robeco has developed methodologies and frameworks that measure the contributions that firms and countries make toward the Sustainable Development Goals (SDGs). Our SDG frameworks are based on rigorous research and enable us to identify companies and countries that are advancing the cause of sustainable development, and to allocate capital accordingly.

Our Company SDG Framework

Our proprietary Company SDG Framework is a tool that evaluates companies based on the contributions they can make to the 17 UN Sustainable Development Goals. We consider a company's contributions to each of the individual SDGs and aggregate this information into an overall company SDG score. We use these scores in our range of sustainable fundamental, quantitative and indexed investment strategies covering equities and corporate bonds.

The chart below sets out Robeco's Company SDG Framework.

Figure 9 | Robeco's Company SDG Framework



Calculation of the SDG score

A company that only has neutral or positive scores for the individual SDGs receives the highest score as its total score, but if it has one or more negative scores for any individual SDG it receives the lowest, most negative score. This logic is based on the premise that negative impacts on one SDG cannot be offset by positive contributions to other goals. We use these company SDG scores to construct fundamental, quantitative and indexed equity and credit investment strategies that aim to contribute towards the SDGs.

Updates to our Company SDG Framework in 2024

At the start of 2024 we updated our Company SDG Framework to align it with emerging taxonomies and to reflect changes in our assessment of companies' positive and negative impacts in certain industries. We explain some of the changes we made below.

- Natural gas: companies involved in the natural gas value chain were previously eligible to receive a +1 score for SDG 7 (Affordable and clean energy). After review, we capped this score at neutral given the high emissions associated with their activities, while still recognizing that gas has a role to play as a transition fuel in emerging markets.
- Banks: we previously automatically assigned banks +1 scores as a starting point for SDGs 8 (Decent work and economic growth) and 9 (Industry, innovation and infrastructure) given their role in promoting economic growth. We have lowered this starting point

to zero and now assign scores based on the measurable positive or negative impacts individual banks are making.

We also enhanced our approach to the third pillar of the SDG Framework, which focuses on controversies. We found that the third-party screening we previously applied was too focused on the financial materiality of controversies, whereas our SDG Framework focuses on impact materiality. As such, we developed a systematic approach to assess the impact of corporate controversies when they have occurred and how the company has dealt with them. In doing so we consider three elements.

- Severity: we assess the severity of the negative impact on society or the environment in terms of its scale (for example, the number of people or area of land affected), depth (the degree of change) and duration (whether it is short-term or long-term). We also evaluate whether the controversy in question was exceptional for the industry the company is part of.
- Remediation: we consider whether the company took some form of remedial action or paid compensation and, if it did, whether it did so proactively and whether the remedial action was proportionate to the harm caused.
- Preventative measures: we assess whether the company has changed its practices to make it less likely that such events will occur again in the future.

Country SDG Framework

Our Country SDG Framework assesses the extent to which countries have policies in place that advance sustainable development, whether they are in need of additional capital to finance sustainable development, and whether they adhere to key sustainability principles. We use this framework for strategies investing in sovereign debt.

As with our Company SDG Framework, we assign countries a score ranging from -3 to +3 for individual SDGs, and aggregate these into an overall score. We updated the input data we use to calculate these scores in 2024, but the methodology we use remained largely unchanged.

Stewardship

Actively exercising our stewardship responsibilities is an integral part of Robeco's approach to sustainable investing. Stewardship involves using our influence and rights as an investor where we believe it is necessary to do so. We use our ownership rights to engage with the companies we invest in about sustainability risks, impacts and opportunities, which in our view helps them prepare their business models for the future.

We believe that companies that adopt sustainable business practices could have a competitive advantage and potentially be more successful over the long term than companies that do not. On behalf of our clients, we use engagement and voting to persuade companies to behave responsibly and grow sustainably.

The processes and guidelines that we follow are outlined in our Stewardship Approach and Guidelines document, which we review and update every year to ensure it remains aligned with best practices. At the core of our stewardship activities is our Active Ownership team, which has been responsible for all our engagement and voting activities since 2005.

The assets under engagement and assets under voting figures are based on Robeco's equity and credit portfolios for which we conduct engagements and voting. Robeco also votes and engages for clients whose portfolios are run by other asset managers; we call these 'overlay clients'. As of 31 December 2024, we had 10 overlay clients, representing around EUR 650 billion in assets.

We believe that a constructive dialogue with the companies we invest in on behalf of our clients is the most effective way to improve their corporate behavior. However, there are instances when taking further action, which we refer to as escalation and can include exclusion from our investment universe, is necessary. This may be the case if a company fails to respond adequately to or makes limited progress in our enhanced engagements. We elaborate more on our voting, engagements and exclusions below.

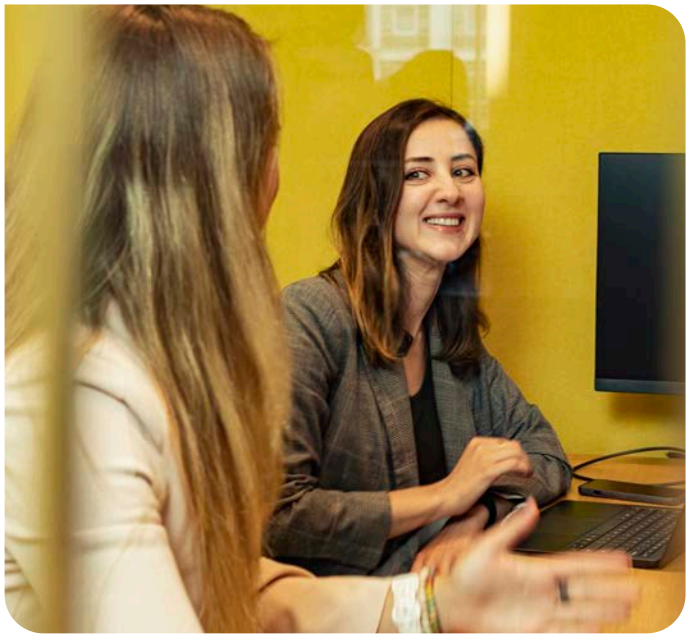


Figure 10 | Robeco's Active Ownership results in numbers

EUR 178 BILLION Assets under engagement	EUR 87 BILLION Assets under voting
324 Engagement cases	6,655 Shareholder meetings voted at
301 Companies that we engaged with	75 Countries voted in
63% of engagement cases closed successfully	56% Meetings with at least one vote against management
23 Engagement themes	67,757 Proposals voted on

Source: Robeco

Voting

As an asset manager, Robeco has the right to vote at shareholder meetings to influence corporate governance and other relevant investment-related matters in the best interests of our clients.

Our Active Ownership team is responsible for voting at Annual General Meetings (AGMs) of investee companies. In doing so it follows our voting guidelines, which we formally review annually. Robeco's Stewardship Approach and Guidelines document, which is based on the principles of the International Corporate Governance Network (ICGN), provides guidance on common proposals at shareholder meetings and enables the team to make assessments according to local standards, national legislation and corporate governance codes of conduct. We also consider company-specific circumstances and local-market best practices when voting.

While proxy voting is the responsibility of Robeco's Active Ownership team, the team members work closely with our sustainability investing analysts and portfolio managers. We aim to make each vote count, capitalizing on the experience of not only our Active Ownership team, but also the sector- and country-specific knowledge of our investment analysts, portfolio managers and sustainability specialists.

VOTING AT APPLE

Apple designs, manufactures and markets smartphones, personal computers, tablets, wearable devices and a range of accessories.

At Apple's 2024 Annual General Meeting (AGM), shareholders had the opportunity to vote on a number of routine agenda items, including director elections and executive compensation. The agenda also featured two notable shareholder proposals on the use of artificial intelligence and median gender and racial pay equity, both of which we deemed supportable.

The proposal on artificial intelligence requested that Apple increase transparency on its responsible use of AI technology. We concluded that the proposal addressed a material risk for the company as the rapid adoption of AI technology in business has raised significant social issues regarding its ethical development and deployment, and we believed that the additional disclosures requested in the resolution would be beneficial to shareholders.

The proposal on gender and racial pay equity called for increased disclosure of Apple's pay policies. We determined that this represents a material topic for the company and that the additional disclosures requested would better enable investors to assess how Apple is performing on this topic. As mentioned in the proposal, the company reports on adjusted pay gaps but not on unadjusted gaps[40], which provide insight into whether there is equal access to high-paying roles among genders and ethnicities.

Both proposals received strong support from shareholders, with the proposal on the use of AI receiving 37.5% of votes in favor, and the resolution on gender and racial pay equity receiving 31.1%.

40. The unadjusted pay gap measures the average difference in pay between men and women without taking into account other factors, such as the nature of the role and experience, that might influence the pay gap. The adjusted pay gap does take such factors into account.

In 2024 we voted on 67,757 proposals at 6,655 shareholder meetings in 75 countries. Most of our votes covered corporate governance practices. We also attended six AGMs in person and held 29 one-off engagements related to AGMs with companies to provide them with feedback on how they could enhance their sustainability practices.

Our voting policy is part of our Stewardship Approach and Guidelines and was reviewed and updated in 2024. In 2025 we will be stricter on the use of dual share classes by companies with poor governance practices as their use limits the influence we can exert through our voting activities, for example by voting against the chair of the governance committee or other board members. We will also adapt our approach to voting on remuneration to be more granular: we will apply a more tailored approach depending on company size and local remuneration practices, and aim to incorporate more of our investment knowledge to analyze a company's pay and performance alignment. Last, we will increase our focus on financially material issues for the companies we invest in..

→ *For more information, see Robeco's proxy voting guidelines and Stewardship Approach and Guidelines*

Engagement

Engagements involve dialogues between institutional investors and the companies or governments they invest in to discuss how they manage ESG risks and adverse impacts, while also exploring business and economic opportunities related to sustainability challenges.

Our Active Ownership team applies a balanced engagement approach and focuses on constructive dialogues. This sets us apart from other parties that might adopt a more activist and confrontational approach. We focus our engagement efforts on the most material ESG topics, targeting the companies we invest in with the greatest exposure to the engagement topic in question to foster dialogues on ESG issues like good governance, human rights, environmental risk management and climate change.

Our Active Ownership team works closely with the other members of Robeco's Sustainable Investing Center of Expertise, who provide input for their analysis of engagement cases. They also collaborate with investment professionals in our local offices such as Shanghai, Hong Kong and Singapore on several engagement cases, making the most of their local presence and knowledge. This enhances the quality of our engagements in the markets in question.

We conduct three types of engagement with companies: value engagements, enhanced engagements and portfolio engagements.

Value engagement

Our value engagements focus on long-term issues that are financially material and/or are causing adverse sustainability impacts. Their primary objective is to create value for investors by improving sustainability conduct and corporate governance.

Our value engagement program includes core and focus themes. Core engagement themes are ongoing themes that are aligned with our Sustainable Investing strategy. They focus on climate change, biodiversity and human rights and ensuring that companies meet basic corporate governance expectations. Within these evergreen themes, individual three-year engagements can be initiated as needed. Our focus engagement themes, by contrast, have a defined time horizon of three years, during which we engage with a set number of companies on specific sustainability sub-topics.

Focus engagement themes (and the companies to engage with as part of these themes) are determined in cooperation with our analysts and portfolio managers based on an analysis of financial materiality. We also involve institutional clients in our selection and design of engagement themes. We select one to two new engagement themes every year and, for any given engagement theme, select companies that have the greatest exposure to the engagement topic.

We launched two new engagement themes in 2024, focused on hazardous chemicals and ocean health.

→ *Read the Nature section to learn more about these engagement themes*

Enhanced engagement

Our enhanced engagements focus on companies that severely and structurally breach minimum behavioral standards in areas such as human and labor rights, the environment or business ethics. Our aim is that companies eliminate and remedy any breach and prevent any similar breaches occurring in the future. If a company does not improve its practices during our engagement, we may escalate the case or our Controversial Behavior Committee can decide to exclude it from our investment universe. We re-evaluate the practices of excluded companies at least once a year and only reinstate them if they have made significant improvements.

Portfolio engagement

Our portfolio engagements aim to drive a clear and measurable improvement to a company's contribution to the sustainability vision of some of our funds[41], generally linked to one or more of the SDGs. By ensuring that companies consistently enhance their sustainability performance, these engagements aim to reinforce the companies' social license to operate and create value for both investors and society at large.

Sovereign engagement

In addition to engagements with companies, Robeco also engages with sovereign debt issuers as governments have a pivotal role to play in sustainable development. Our sovereign engagements aim to create value for both sovereigns and investors by making the business environment more sustainable in the countries in question. For example, we are involved in collaborative investor dialogues with the Brazilian and Indonesian governments coordinated by the

41. The funds for which we conduct portfolio engagements are Global SDG Engagement Equities, Fashion Transition Equities and Biodiversity Equities.

Investor Policy Dialogue on Deforestation (IPDD)[42], and with Australia, coordinated by the PRI-led Collaborative Sovereign Engagement on Climate Change[43]. These engagements encourage and help these countries to safeguard and invest in the environmental assets and services that their economies depend on.

UPDATE ON ENGAGEMENT WITH THE AUSTRALIAN GOVERNMENT

In 2023 we held 36 meetings with Australian federal, state and regulatory agencies involved in climate policy decision-making. This created a strong base for our second round of meetings in 2024, with our main objective being to contribute to the National Defined Contribution (NDC) climate policy-setting process that the Australian government is undertaking. In August, we visited Parliament House in Canberra to meet ministers, including the Treasurer for Australia and the Minister for Climate Change and Energy, and climate policy advisors. We discussed the NDC target-setting process for 2035, as part of which countries need to pledge a new target ahead of COP30 in Brazil in 2025.

During our meeting with the Treasurer, we explained that we evaluate the progress of sovereign engagements based on a number of factors. These include the transparency of the government's actions in its green bond impact reporting and budget publications, the design of its climate policy interventions and, above all, the whole-of-government policy integration that leads to clear target-setting.

We emphasized the need for an ambitious NDC target. The Treasurer confirmed that over the past two years, much effort had been made to organize the various government departments to help achieve policy coordination on climate change. He also stated that The Treasury is assuming a leadership role in this process as it is important to deliver a budget that underpins all climate policies. The Treasury taking the lead is a strong sign of whole-of-government coordination, one of our most important engagement objectives, for which we see clear progress in Australia.

Exclusions

As part of our approach to sustainable investing we avoid making any investments that we or our clients deem unsuitable, so we exclude some companies and countries from our investment universe. Examples include companies active in the production of controversial weapons or the cultivation and production of tobacco. Our exclusion criteria are set out in our Exclusion Policy.

Robeco's exclusion policy serves three purposes. First, it represents a minimum standard: we set out minimum standards for products, services and business practices that Robeco deems detrimental to people or planet, or that are at severe risk of becoming stranded assets, and where we believe the potential to change this through engagement is limited. Second, it is a means of escalation: we use exclusion to escalate engagements that we initiated due to misconduct. Finally, it enables us to comply with regulations.

Our exclusion policy applies to all client assets in all funds over which we have full discretion, including those that are sub-advised by group members, but it does not necessarily apply to discretionary mandates or client-specific funds.

→ *Read more about our Exclusion Policy*

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42. The IPDD is an investor-led coalition consisting of over 65 investors from 19 countries with a combined USD 10 trillion of assets. The goal of the initiative is to coordinate a public policy dialogue on halting deforestation. Robeco co-chairs the workstreams involved in engaging with the governments of Brazil and Indonesia.
43. The Collaborative Sovereign Engagement on Climate Change is a pilot Principles for Responsible Investment (PRI)-led investor initiative to help governments to act on climate change. The engagement with Australia consisted of 25 international investors that were collectively responsible for USD 8 trillion of assets under management as at May 2024.

Technological innovation

Innovation is vital to Robeco's continued success, and we use cutting-edge technologies, such as generative artificial intelligence (AI), to stay at the forefront of the asset management industry. In 2024 we continued to extend and enhance Robeco's information platform, making the most of opportunities presented by new developments in the technology landscape.

Innovations in the data and systems we use

- We expanded our Modern Data Platform, which is based on Snowflake technology[44], to handle significant data volumes and make Robeco's data products more accessible and easier to use for colleagues throughout the company.
- Our Digital Foundation Program, which underpins our cloud-based architecture, managed the implementation of a number of market-leading applications, including Airflow[45], Axway[46], Dynatrace[47] and Fundipedia[48].
- We rolled out AI tools, including Microsoft's Copilot, across the company to automate everyday tasks and improve efficiency.
- We integrated more ESG-related data and visualizations in our quarterly reports and factsheets, which are powered by ESGenius, our core proprietary application for ESG analysis and reporting. With the new data platform and the reporting solutions in place we can improve how we report on the sustainability credentials of our clients' portfolios.
- We made our SDG scores available on Bloomberg terminals as part of our Sustainable Investing Open Access initiative.

Outlook

In 2025, in support of our Digital Foundation Program, we will continue to focus on our data platform, ensuring that Robeco data is easily accessible to appropriate internal users. We will continue to explore new ways to use AI to improve our existing processes and develop new capabilities, and we will look to directly exchange data with our clients through our data platform.

44. Snowflake technology is a cloud-based data platform that enables organizations to store, analyze, and share large volumes of data efficiently.
45. Apache Airflow is an open-source platform used to programmatically author, schedule, and monitor workflows.
46. Axway is a technology company that specializes in enterprise data integration and API (application programming interfaces) management.
47. Dynatrace is a software intelligence platform that provides comprehensive monitoring and analytics for applications, infrastructure, and user experience.
48. Fundipedia is a data management platform designed specifically for the asset management industry. It helps asset managers collect, validate, store, and distribute both static and dynamic product data.

Our contribution to research

Back in the 1930s, Robeco's first director, Wim Rauwenhoff, made clear that every investment decision should be research-driven. This belief in the power of research has been a cornerstone of our approach ever since, and it is also why we have been contributing to the body of academic research for many years. In this chapter we summarize some of the main articles on investing we published in 2024.

Research by Robeco's quantitative team

We are pioneers in the world of quant, with more than 30 years of experience researching the field and developing real-world client solutions as a result. Our team maintains strong relationships with several universities to keep abreast of the latest developments in the world of academia. Below we highlight a selection of the articles we published in 2024.

- In 'Better by design: Why human choices matter in return predictions via machine learning' we identify several key design choices researchers have to make when training machine-learning models to predict stock returns. The paper assesses the importance of such choices, and the findings underscore the critical impact design choices have on machine learning predictions.
- In '3D Investing: Jointly Optimizing Return, Risk, and Sustainability' we show that while portfolio construction approaches have most often been considered two-dimensional (incorporating risk and return goals), investing has historically been a multi-dimensional endeavor, with sustainability the latest addition to investors' multi-objectives. This paper won the 2024 CFA Germany Investment Research Award.
- In '3D Investing: Implications for net zero' we present an approach to integrate sustainability in the portfolio optimization process. Focusing on achieving net-zero emissions by 2050, the method balances financial returns with sustainability goals using multi-objective optimization tools.
- In 'Embracing fundamental and quant investing in emerging markets', we explore the interplay of fundamental and quant investing styles in emerging markets, revealing the potential for enhanced portfolio performance.
- In 'Empirical Evidence on the Stock–Bond Correlation', together with the State of Wisconsin Investment Board, we conducted a comprehensive study on the correlation between stock and bond returns. The findings, which indicate significant shifts in correlations across different periods, offer valuable insights for managing multi-asset portfolios and understanding bond risk premiums in various macroeconomic contexts. This paper won the 2024 Graham and Dodd Scroll Award.

Robeco's SDG scores increasingly used in academic research

Through our Open Access initiative, we have made our company SDG scores and country sustainability scores freely available to anyone, including academics for use in their own research. We highlight some of the research our scores were used for in 2024 below.

- A team of German and French researchers analyzed the degree of alignment between SDG scores from different providers, including Robeco. The study found that there is limited agreement between these ratings. This implies that different providers interpret companies' alignment with the SDGs differently, underlining the importance of being transparent about the scores and the methodology used to determine them.
- The study above prompted us to examine whether Robeco's SDG scores are effective in identifying companies that make positive and negative impacts. In this working paper we provide evidence that our SDG scores align well with how key stakeholders – climate scientists, regulators, and investors – judge the sustainability of companies.
- In partnership with the University of Zurich, we published a working paper investigating the relationship between past corporate alignment with the SDGs and involvement in future scandals, such as cases of corruption, fraud or environmental pollution. Our findings suggest that companies that are more positively aligned with the SDGs are less likely to become involved in future scandals.
- A team of Robeco quant and sustainability researchers investigated whether Robeco SDG scores are subject to the same kind of biases that are known to affect ESG ratings. For instance, large companies, firms from developed countries and those with more resources to publish ESG data tend to have better ESG ratings. Our working paper finds that our SDG scores do not display such biases.

Sustainability and risk-adjusted returns

Sustainable investment strategies performed well overall in the years leading up to 2020, but in recent years they have underperformed. This has led to a healthy discussion about the impact of incorporating sustainability on risk-adjusted returns. Robeco contributed to that discussion by publishing several papers in 2024.

- Our multi-asset team released a paper entitled 'Balancing sustainability and returns: What multi-asset investors need to know'. The team found that from December 2017 to December 2023, incorporating sustainability (as measured by Robeco's SDG scores) improved the risk-adjusted returns of multi-asset portfolios. However, excluding less sustainable investments can result in increased divergence from benchmark returns due to the different exposures to sectors and regions that exclusion can lead to.

- Our fixed income team researched the existence and development of the so-called 'greenium', the difference in valuation between green bonds and standard bonds from the same issuer. Our research analyzed the premium of green bonds in the euro-denominated government and government-related bond market. Our analysis suggested that as of February 2024, investors were willing to pay a premium of roughly 2 basis points for green bonds in this segment of the fixed income universe.
- We researched how the application of our country sustainability ranking can aid the management of sovereign investments. We found that our Country Sustainability Ranking can help in two ways. First, higher country sustainability rankings have a significant correlation with lower credit default swap (CDS) spreads, which imply a country has a lower risk of defaulting on its bond repayments. We found that this link is mainly driven by the governance score within the Country Sustainability Ranking, which means that countries with a higher ranking generally involve lower levels of investment risk. Furthermore, countries that have improved their scores for the social pillar of our ranking have seen their CDS spreads fall in recent years, suggesting that improvements in social factors may reduce default risk.

Sustainability statements

Basis of preparation

Robeco continuously aims to improve how it reports on sustainability issues. Since 2022, we have been reporting in accordance with the Global Reporting Initiative (GRI) Universal Standards, but with the Corporate Sustainability Reporting Directive (CSRD) having come into effect we will report according to this new standard in our 2025 Integrated Annual Report.

Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS), which provide detailed disclosure requirements on environmental, social and governance (ESG) topics. We have opted to start aligning our disclosures with the ESRS requirements in this 2024 Integrated Annual Report.

Approach to sustainability reporting

We have always used multiple sustainability reporting frameworks[49]. For the sustainability-related information in this report, we report in accordance with the GRI Universal Standards. We combine them with the Integrated Reporting Framework (IRF), which provides a holistic view of how we create value for our stakeholders. We also use specific frameworks to report on climate- and nature-related risks and opportunities: the Taskforce on Climate-related Financial Disclosures (TCFD) framework and the Taskforce on Nature-related Financial Disclosures (TNFD) framework. We base our reporting of human rights issues on the UN Global Compact.

The ESRS incorporate many elements of the frameworks we refer to above. They also introduce a dedicated section on sustainability: the Sustainability Statements. In our Sustainability Statements in this report, we provide a comprehensive overview of our approach to sustainability.

We consider our reporting over 2024 to be an important step toward full compliance with the CSRD. The ESRS have been used to guide the content of our Sustainability Statements and we have included some additional elements, which are based on the needs of stakeholders or commitments by Robeco.

General basis of preparation

Robeco's Sustainability Statements for the year ended 31 December 2024 incorporate information about Robeco Holding B.V. and the entities it controls, as included in Note 28, to the Financial Statements[50].

We have prepared the Sustainability Statements based on the GRI Universal Standards and Robeco's own criteria, which make use of the ESRS and reflect our intention to start aligning our disclosures with future regulatory requirements. We describe our approach for each relevant ESRS below. We have taken the ESRS as a starting point to structure our disclosures and disclose content that is relevant considering future ESRS requirements.

The Sustainability Statements cover our upstream and downstream value chains and our own operations. The Sustainability Statements' structure is based on the drafting conventions and fundamental concepts provided by ESRS 1. The 'Basis of preparation', 'Strategy and business model', 'Governance of sustainability matters' and 'Risk' sections include cross-cutting disclosures (requirements for general disclosures in sustainability reporting that also need to be covered within the topical standards), as required by ESRS 2.

An important cornerstone of ESRS disclosures is a Double Materiality Assessment (DMA). This assessment determines the material sustainability matters (impacts, risks and opportunities) that a company has to report on. The double materiality assessment Robeco performed and the reporting criteria used are described in the Materiality assessment section and the Appendix 2. In these sections, we also include an overview of the changes since our previous 2023 DMA and an outlook for next year's DMA process.

The outcomes of our materiality assessment serve as the starting point for our topical disclosures, which are included in the Environmental, Social and Governance sections of the Sustainability Statements. We use the requirements of the topical ESRS as a baseline for the disclosures and include our current management approach on the material matters.

Some of the information we include is not yet fully in line with the ESRS's cross-cutting disclosures. We plan to achieve full compliance with the regulations in the reporting year 2025. We are developing the prescribed EU Taxonomy disclosures (Article 8 of Regulation (EU) 2020/852 and the accompanying delegated acts) and aim to include these disclosures as a separate section in the Sustainability Statements of our 2025 report.

49. We prepared the mapping tables for our GRI, IRF, TNFD and TCFD reporting.
50. No subsidiary undertakings included in the financial consolidation are exempted from the consolidated sustainability reporting. The funds for which Robeco holds temporary control (seeding positions) are assessed via the impacts, risks and opportunities related to our overall total client assets.

Disclosures in relation to specific circumstances

Direct and indirect impact

As an asset manager, it is important to differentiate between direct impact and indirect impact. The first relates to our own operations and upstream and downstream value chain. The second is connected to the investments we make. Although we do not directly own these investments, we are responsible for allocating client assets in the investment products we manage. We are limited in our ability to report on the effects of the investments we make. We are not in control of our investee companies and are constrained by regulatory requirements and the willingness of the firms we invest in to publicly disclose relevant information. This impacts the level of detail we can provide when it comes to reporting on material topics that are related to our investments.

Time horizons

In general, we assess material impacts, risks and opportunities over short-, medium- and long-term horizons. Short term refers to the reporting period of the Annual Financial Statements. Since sustainability-related matters often materialize over an extended timeframe, these topics warrant more forward-looking reporting. For forward-looking information on Robeco's material impacts, risks and opportunities in the Sustainability Statements, Robeco defines:

- 'Short term' as one year;
- 'Medium term' as one to five years;
- 'Long term' as more than five years.

Where our time horizons deviate from these definitions, we disclose this alongside the relevant disclosures.

Metrics and estimation uncertainty

In this report, we use some metrics that are based on estimates, averages or assumptions. This is particularly the case when we are providing information about the companies we invest in. In these cases, the underlying data is sourced from external data vendors. We use sector averages if no company-specific information is available. The Definitions applied to key indicators section of our report provides a full overview of the definitions used in our sustainability metrics, including specifications of the data or estimates we use.

The data we use is continuously improving, partly because sustainability regulations are increasingly resulting in more standardized data becoming available. We aim to be transparent about any changes in the underlying data we use or the assumptions we make and provide the appropriate context in this report.

Robeco has not used the option to omit information corresponding to intellectual property, know-how or the results of innovation[51]. Robeco has also not used the exemption from disclosure of impending developments or matters in the course of negotiation[52]. Robeco does not rely on any European standards approved by the European Standardization System (such as the ISO/IEC or CEN/CENELEC standards).

Adjustments and errors

When there are changes in the preparation and presentation of sustainability information since the previous reporting period, we explain the changes and the reasons for them, including why the replaced metric provides more useful information. We also disclose the comparative information for one or more prior periods, and explain the difference in figures where applicable. If there are material errors in the preparation and presentation of previously published sustainability information, Robeco explains the nature of the errors, and corrections for prior periods. If correcting figures for previous periods is not feasible, we explain why this is the case.

51. ESRS 1 section 7.7 Classified and sensitive information and information on intellectual property, know-how or results of innovation.
52. Articles 19a(3) and 29a(3) of Directive 2013/34/EU.

Incorporation by reference

Some ESRS disclosure requirements are not included in the Sustainability Statements, but in other relevant sections of this Integrated Annual Report. These include:

- BP-2 – Reporting standards mapping
- SBM-1 – Our clients and products, Strategy and value creation, Our key investing strengths, Sustainable investing solutions, Stewardship
- Gov-1 – Leadership & governance structure
- Gov-3 – Remuneration section
- S1-10 – Remuneration section
- S1-16 – Remuneration section
- MDR-T for the topic of Social issues – Stewardship section

The risk chapter in the Sustainability Statements describes how we define and manage sustainability risks. We provide more detail on the methods we use to manage traditional risks in the Risk management section in the Governance and Managing Risks chapter.

Sustainability reporting risk management and control

The CSRD results in Robeco facing many additional requirements concerning its sustainability reporting. We aim to meet these requirements through our Integrated Reporting project, which began in 2022 and is governed by a cross-departmental steering committee that is chaired by Robeco's Chief Financial and Risk Officer. This multi-year project will ensure that Robeco will be able to comply with CSRD requirements in its reporting from 2025 onward.

The project recognizes the importance of risk management and internal controls to the sustainability reporting process. It aims to establish a robust control environment for non-financial information included in the Integrated Annual Report. In order to do so, the project assessed the risk and internal control processes are in place for sustainability reporting specifically. This effort included:

1. Developing internal control guidelines for non-financial data.
2. Developing process flows with clear roles, responsibilities and controls that ensure effective risk management.
3. Reviewing the controls that are in place and, where appropriate, providing recommendations to enhance controls.
4. Maintaining Robeco's Non-Financial Reporting Manual, which describes all reported non-financial indicators.
5. Aligning with Robeco best practice, as established by our Data Governance Board.
6. Organizing awareness and training sessions to raise awareness about the importance of accurate data collection and control measures.

In 2024, all data owners were interviewed about their non-financial indicators. A key observation was that most non-financial indicators are governed by existing key controls, such as International Standard on Assurance Engagements (ISAE), System and Organization Controls (SOC) or IT General Controls (ITGCs). Recommendations were made to further improve internal controls, mitigating risks related to accuracy and completeness.

In the second half of 2024, the Integrated Reporting project team started exploring a process to investigate the possibility of using automation to increase the efficiency of our sustainability reporting and solidify its control framework for non-financial data. The automation will focus on support for disclosure management including electronic reporting in line with digital tagging requirements.

Double materiality assessment

In line with guidance from the GRI and the ESRS, Robeco conducted a double materiality assessment (DMA) in 2024. We apply a three-year assessment cycle. The latest cycle consisted of an in-depth assessment conducted in 2022 followed by reviews in 2023 and 2024. Given the stability of our strategy and business, we deemed that there was no need to perform a more comprehensive assessment. We intend to perform a comprehensive assessment, incorporating input from all stakeholders, in 2025.

2024 assessment

Our 2024 review validated the material topics we determined in 2023 and went into further detail on the material impacts, risks and opportunities relevant to our entire value chain, including our own operations. Stakeholder engagement[53] helps us identify material topics relevant to our business and informs our strategy. It also enables us to prevent or mitigate potential negative impacts that could be important to our business and can help us make positive impacts. As an asset manager, it is important to differentiate between material topics related to our own operations and material topics that are connected to the investments we make. In addition, the assessment considers materiality from two perspectives:

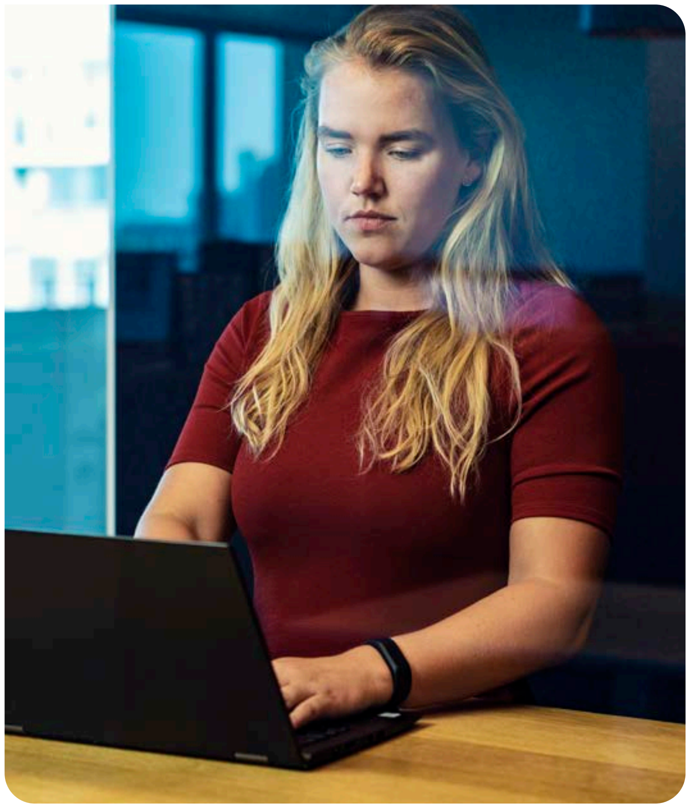
- Impact materiality: Topics where Robeco, directly or indirectly, affects people or the environment.
- Financial materiality: Topics that currently or in the future may financially impact Robeco.

Identifying material topics enables us to focus our time and resources on the (sustainability) topics that matter most. Through our Integrated Annual Report, we aim to transparently report on these topics. The process of performing a materiality assessment has not changed since last year.

→ *For details on our methodology, please see Appendix 2*
→ *Read more about stakeholder engagement*

Key findings

While aiming to include topics for which our impact is material in our DMA, we recognize that considering too many topics could result in a loss of focus, potentially affecting the execution of our strategy. A dialogue with topic experts and senior leadership helped us determine the most relevant material matters.



53. The ExCo delegates the stakeholder engagements that form part of our annual materiality assessment or review to our Corporate Sustainability Officer. The findings of these engagements are reviewed, validated and approved by the SISC, ExCo and Supervisory Board. Additionally, the SISC keeps the ExCo informed on a regular basis about sustainability-related material impacts, due diligence and the effectiveness of our policies and actions, helping the ExCo oversee our strategy, risk management and critical decisions.

Table 17 | Robeco's material topics

	Impact materiality	Financial materiality	Impact perspective	Position in value chain
Climate change	Material	Material	Investments	Downstream
Nature	Material	Material		
Social issues	Material	Material		
Own workforce	Material	Material	Own operations	Own operations
Business conduct	Material	Material		
ESG data quality	Not material	Material		

Each material topic[54] is linked to Robeco's own operations or investment activities (position in value chain). There are indirect impacts, risks and opportunities linked to the investments we make on behalf of our clients, while there are direct impacts, risks and opportunities resulting from our own operations. The material topics cover all three of the environmental, social and governance areas in ESG.

- **Environmental topics**: We identified climate change and nature as material environmental topics. Our investments have an indirect impact on climate change, are exposed to risks linked to the climate transition, and provide opportunities to support our clients' net-zero goals. Nature is material due to our investments' impact on biodiversity, particularly in certain sectors, and as we run strategies promoting a nature-positive economy. We deemed pollution and circular economy to be material due to their significant influence on biodiversity.
- **Social topics**: We identified social issues, particularly workers' rights in the value chain, as material due to Robeco's role as an asset manager. Within our own operations, our own workforce is a material topic, particularly with respect to how we treat our employees in terms of working conditions, non-discrimination and equal opportunities.
- **Governance topics**: Business conduct covers Robeco's behavior in terms of integrity, compliance, tax practices and good governance. There are potential financial risks resulting from the impact on our reputation if we behave poorly. ESG data quality, which is related to our own operations, is material as we are dependent on accurate ESG data to make informed investment decisions and develop new products.

Strategic implications

We incorporate the material topics we have identified into our strategy and decision-making, which are supported by relevant measures to address ESG impacts, risks and opportunities linked to these topics. These measures include assessing various metrics and developing long-term targets, policies and action plans. The outcomes of our DMA and its strategic implications have been validated by our senior management, ExCo and Supervisory Board. We report on both Robeco's financial and non-financial performance[55] in our Integrated Annual Report.

54. There are no significant risks of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements. This conclusion is based on the current financial effects of Robeco's material risks and opportunities, as assessed in accordance with the ESRS.
55. All relevant impacts, risks, and opportunities disclosed by Robeco are based on entity-specific considerations. There are no additional impacts, risks, or opportunities required under ESRS Disclosure Requirements that are not already addressed in Robeco's reporting.

Sustainability governance

The ExCo is responsible for defining Robeco's approach to sustainability, including our company-wide values, policies, initiatives and actions. It is responsible for overseeing the organization's due diligence and other processes to identify and manage its impact on the economy, environment and people as well as related risks and opportunities.

It is also responsible for decisions on major transactions, and its risk management process considering trade-offs associated with those impacts, risks and opportunities where applicable. The ExCo receives support in these tasks from the Sustainability & Impact Strategy Committee (SISC), which is a sub-committee delegated by the ExCo and oversees all matters related to sustainability and sustainable investing in our company[56]. It has the authority to approve policies and set practical guidelines for the implementation of our Sustainable Investing strategy.

Our investment teams are responsible for integrating ESG in their own investment strategies. We have seven competence groups that help the SISC oversee the various components of Robeco's sustainable investing activities, as we show in the visual below. They are made up of senior members of our organization, including sustainability experts and members of our investment teams. The groups advise the SISC on topics linked to their areas of expertise.

Figure 11 | Governance of sustainable investing at Robeco

KEEPING UP TO DATE ON SUSTAINABILITY ISSUES

The Supervisory Board, Management Board and ExCo are continuously updated by the head of Sustainable Investing on how we integrate sustainability in our investment processes.

All three bodies are also involved in the process of identifying and managing material topics, which reflect key sustainability issues linked to the companies we invest in and our own operations.

Sustainability is key to our commercial success and is part of the collective knowledge, skills and experience of Robeco's highest governance bodies.

An advisory committee – the Corporate Sustainability Committee – focuses on the sustainability of Robeco's own operations and advises the Sustainability & Impact Strategy Committee and the ExCo on matters linked to corporate sustainability and governance. This committee is chaired by the Corporate Sustainability Officer.

Lastly, our DE&I Board focuses on driving Robeco's ambitions with respect to diversity, equity and inclusion in our own organization and advises the ExCo on this topic. This committee is chaired by the Chief Operating Officer.

→ *There is more information on the governance of sustainable investing at Robeco in appendix 7*

56. The SISC holds bi-weekly meetings and communicates the outcomes of these meetings on a monthly basis to the ExCo, who oversees the management of impacts.

Sustainability risk management

At Robeco we manage sustainability risk both in our investment portfolios and at the corporate level. Below we explain how we manage sustainability risk at the portfolio level and how our findings at the portfolio level are also relevant for sustainability risk at the corporate level.

Sustainability risk in investment portfolios

Sustainability factors (such as environmental, social and employee-related matters, respect for human rights, and anti-corruption and anti-bribery issues) may have a positive or negative impact on the financial performance of our investments. For risk management purposes, we focus on the downside potential these factors involve.

Our sustainability risk policy sets out sustainability risk limits and controls for our portfolios, and how we should react in the event that a risk limit is breached. It is a three-pillar approach that sets out minimum requirements to handle sustainability risk. The pillars are as follows.

- The **first pillar** lays down minimum requirements for all funds by applying exclusion lists of companies and governments based on their activities and behavior.
- The **second pillar** specifies how sustainability is promoted within products and sets out limits for sustainability criteria such as ESG ratings, greenhouse gas emissions, minimum allocations to sustainable investments and contributions to the SDGs.
- The **third pillar** involves our Risk Management department evaluating all our products according to different dimensions of sustainability, including climate risk scenarios. This process aims to raise awareness of sustainability risks, promote a deeper understanding of them and encourage discussion between stakeholders to whom the Risk Management department communicates its findings. Climate risk analysis includes an evaluation of the impact of the climate transition and the physical risks and opportunities linked to climate change.

We review the sustainable risk policy every year to ensure it adheres to the latest standards and practices, including the Sustainable Finance Disclosure Regulation, Task Force on Climate-related Financial Disclosures and Task Force on Nature-related Financial Disclosures.

Sustainability risks at the corporate level

The way we assess the sustainability risks our investment portfolios are exposed to differs from how we determine the sustainability risks that Robeco as a corporate entity is exposed to. The risk profile of Robeco as an entity is based on the revenues generated through these investment portfolios. Robeco's income comes from the fees that we receive in relation to our client assets. Based on the composition of our client assets, our Risk Management department models the revenues that should be generated in a year. The contribution all our client assets make to our revenues is referred to as the Margin Portfolio. It enables Risk Management to perform risk analysis, including sustainability risk analysis.

In assessing corporate sustainability risk, Risk Management focuses on climate transition risk. Risk Management assesses the carbon sensitivity of our revenues and the potential impact of various climate risk scenarios on these revenues. The results of this analysis are communicated to the Enterprise Risk Management Committee (ERMC) every quarter.

Carbon sensitivity of our revenues

Risk Management assesses the carbon sensitivity of our revenues by estimating the carbon footprint of the underlying client assets. This enables us to assess the biggest contributors to the carbon footprint of our revenues. Risk Management reports which sectors and which investment capabilities contribute most to our indirect carbon footprint to the ERMC. The assessments create awareness about our carbon sensitivities. If a vulnerability that may require action is identified, the ERMC can decide how to respond.

Impact of climate risk scenarios on our revenues

Our Risk Management department also assesses the potential impact of climate risk on our revenues by running several climate risk analyses on the Margin Portfolio. Doing so provides insight into the extent to which our revenues could fall due to climate risk, assuming that the holdings making up our client assets at that point in time remain unchanged over the time horizon of the scenarios.

Climate risk scenario analysis forms part of our risk budgeting process. As part of our Capital Adequacy Assessment process and internal Risk Assessment Process[57] Robeco performs a self-assessment of the climate risk our company is exposed to. This involves considering both our revenues and our costs to determine the potential effect of climate risk on our profitability. We compare the potential impact of climate risk scenarios on our capital requirement to ensure that Robeco's financial position would remain healthy in the event that climate risk manifests itself over time. Risk Management considers a broad set of climate risk scenarios,

57. An ICARAP annual process to determine the minimum amount of risk capital to be held. This is a regulatory requirement and we communicate our findings to the Dutch Central Bank.

most of which have a long-term horizon. In our risk budgeting process, we use a subset of scenarios with a one-year horizon. For this reason we only consider transition risks. Physical risks are longer-term in nature and as such do not match our budgeting horizon.

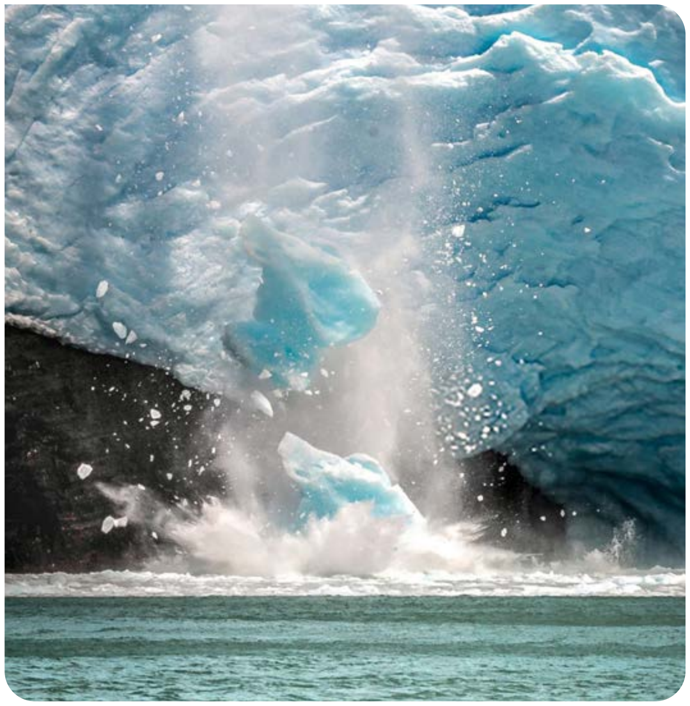
Corporate sustainability risk figures

To help us understand the risks and opportunities arising from climate change in greater depth, we acquire and generate climate-related data. Our analysts take this data and convert it into scores, footprint reports, impact reports and insights that are integrated across our range of products and services. Any determination of the net impact of the sustainability risks faced by a company should consider the opportunities that may be involved (climate transition risk, for example, can lead to opportunities linked to resource efficiency, low-emission energy and the development of new products and services).

Climate risk scenarios

Climate risk forms part of our assessment of Robeco's capital adequacy. Every quarter, Risk Management analyzes the possible impact of climate risk on Robeco's revenues and available capital. The outcome is compared with our minimum amount of required capital. In this analysis we use four climate transition risk scenarios based on guidance from the Dutch Central Bank (DNB).

The four scenarios describe shocks at the macroeconomic and mesoeconomic levels. These shocks, which have a one-year time horizon, are translated into impacts on Robeco's client assets and the asset management industry. They are therefore suitable for assessing our capital adequacy, which uses the same time horizon.

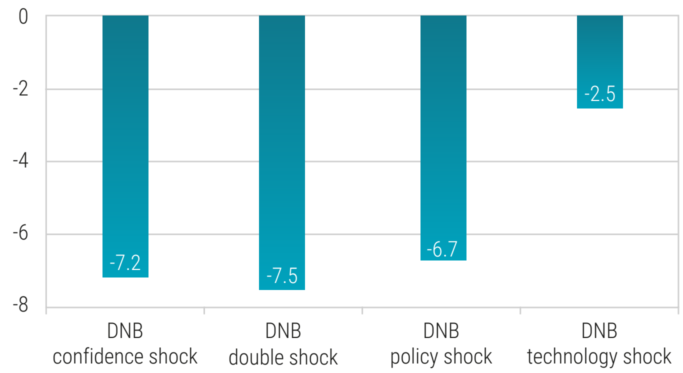


The four scenarios are as follows.

- Confidence shock: Companies and households postpone investment and consumption due to uncertainty about policy measures and technology. This scenario only leads to a shock to equity prices.
- Policy shock: Carbon prices rise by USD 100 per tonne due to additional policy measures.
- Technology shock: The proportion of renewable energy in the energy mix doubles due to a technological breakthrough.
- Double shock: Carbon prices rise by USD 100 per tonne due to additional policy measures, and the proportion of renewable energy in the energy mix doubles due to a technological breakthrough.

The chart below shows the projected impact of these climate-risk scenarios on Robeco's revenues. Leading to an estimated reduction in our revenues of 7.5%, the DNB's double-shock scenario has the largest projected negative impact on our revenues. Based on our calculations, Robeco would remain a profitable company in all scenarios.

Figure 12 | Impact of climate-risk scenarios on Robeco's revenues



Source: Robeco, 31 December 2024

Carbon sensitivity

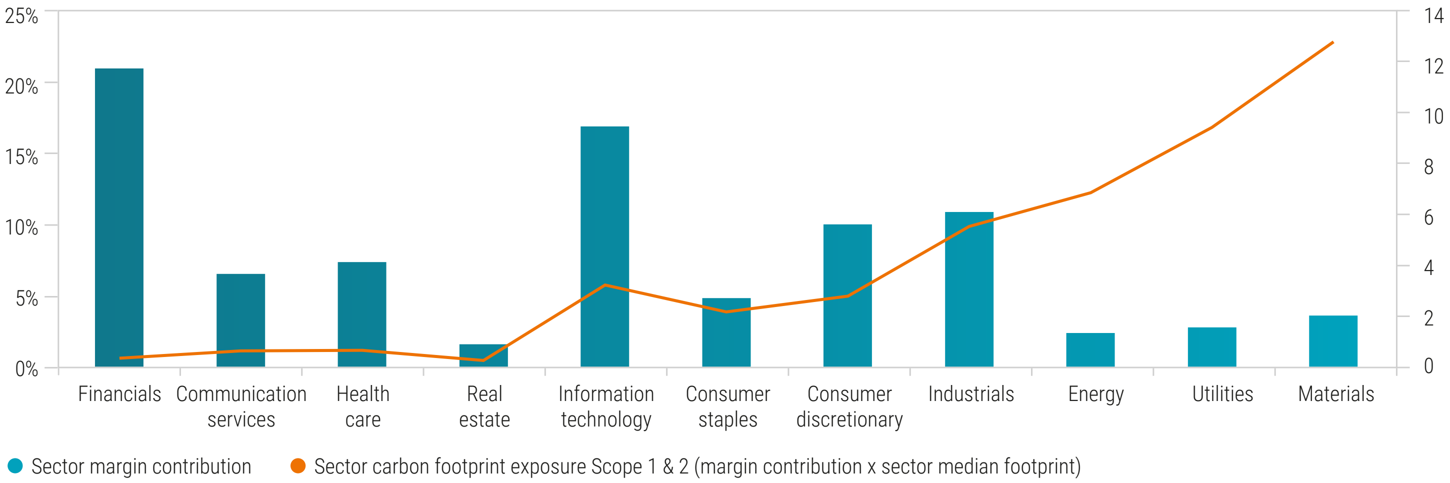
The carbon footprints of our investments are the key determinant of the climate-transition risk our portfolios are exposed to. In general, the higher a company's carbon footprint, the more action it needs to take to become climate-neutral and the higher the costs involved. We also assess the sensitivity of Robeco's revenues to the carbon footprints[58] of the companies we invest in. The greater the exposure to assets with high carbon footprints, the greater the risk to our company.

We perform two carbon footprint assessments: one using Scope 1 and 2 carbon emissions, the other using Scopes 1, 2 and 3[59]. Scope 1 and 2 emissions are directly within the control of companies and will face taxation and costs when transitioning. Scope 3 is more indirect and there can be disputes among companies upstream and downstream in the value chain about who is responsible for emissions. This means that companies with a high Scope 3 carbon footprint face additional risks on their journey to becoming climate-neutral.

58. Carbon footprint for scopes 1, 2 & 3 are provided by Trucost.
59. The assessments observe the median carbon footprint using the GICS classification system.

The graph below shows the expected annual contribution to Robeco's revenues (the margin contribution)[60] of sectors, as defined by the Global Industry Classification Standard, based on Scope 1 and 2 emissions and carbon footprints by sector[61]. The expected annual margin contribution is based on the allocations of our portfolios as at the end of 2024[62]. The graph indicates that the materials, energy and utilities sectors make relatively low contributions to our revenues (as represented by the short blue bars). Despite this low margin contribution, these three sectors account for a large part of Robeco's overall carbon footprint exposure, as shown by the high orange line. This is a result of Robeco's carbon footprint reduction management.

Figure 13 | Robeco's expected margin contribution by sector and carbon footprint exposure Scope 1 & 2

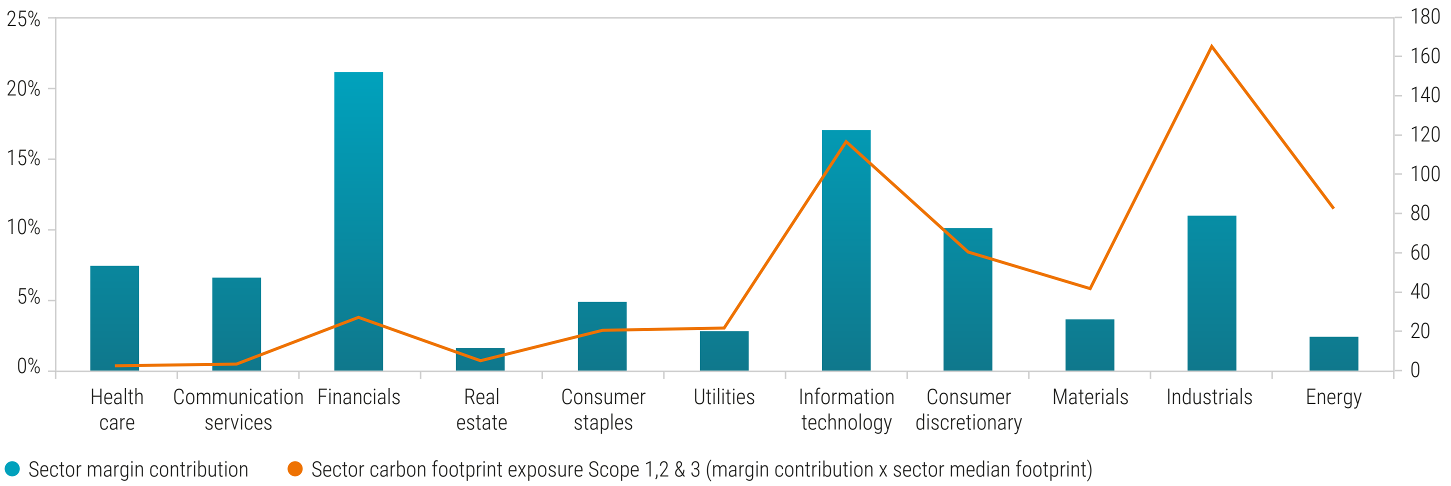


Source: Robeco, 31 December 2024

While the materials sector has the highest carbon footprint in Scope 1 and 2 terms, it only has the fifth-highest footprint (orange line) when considering all scopes as reported in the graph below. Looking at all scopes, the industrials sector, which is the fourth-most polluting sector from a Scope 1 and 2 perspective, is the sector with the largest carbon footprint sensitivity to revenues (orange line). Information technology and energy have the second- and third-highest exposures from this perspective.

Furthermore, although Robeco has a significant margin contribution to financials, the revenue sensitivity to carbon is relatively low in all scopes.

Figure 14 | Robeco's expected margin contribution by sector and carbon footprint exposure Scope 1, 2 & 3



Source: Robeco, 31 December 2024

60. The contributions of the sectors do not add up to 100%. Not all investments have a GICS sector classification (e.g., cash and derivatives).
61. Emissions are normalized for the Enterprise Value Including Cash (EVIC). Emissions reported of each sector do not account for look-through emissions.
62. It assumes that the positions remain fixed for a year and that there are no changes in valuation.

Sustainability risk: An evolving field

Assessing the risks linked to sustainability is an evolving field. There is more and more data, expertise and technology becoming available to help us identify, measure and mitigate sustainability risks. The interpretation and understanding of sustainability risks and how they affect investment portfolios are also developing over time. We therefore regularly review and, where necessary, adjust how we integrate sustainability risk management in our processes to ensure that our practices remain up to date.

In recent years we have developed an extensive sustainability risk framework and enhanced our toolkit to analyze, understand and report on sustainability risks. We intend to improve our sustainability risk management processes in the coming years by:

- collaborating with key stakeholders across Robeco to continuously assess its decarbonization strategy and net-zero targets, keeping pace with industry and government initiatives to reduce greenhouse gas emissions;
- further strengthening our risk control framework and associated processes, including reporting and methodology, as part of the company's broader risk management strategy;
- using reliable data to refine our approach to risk appetite determination, incorporating quantitative elements and developing key risk indicators at both the portfolio and enterprise levels;
- exploring the integration of critical themes such as biodiversity and social issues into our sustainability risk policy in measurable terms, leveraging data from scientific research and academia;
- assessing opportunities to enhance our climate risk scenarios by incorporating additional climate risk indicators, helping to identify potential winners and losers across industries in various scenarios;
- aligning with the requirements of the Taskforce on Nature-related Financial Disclosures by exploring nature loss scenarios and evaluating their potential integration into climate risk assessments.

Environment

Sustainable investing is a strategic focus for Robeco. Recognizing the interconnectedness of environmental issues, Robeco emphasizes the dual importance of climate change and nature, including biodiversity and ecosystems. Through our double materiality assessment, we have identified climate change and nature as key environmental priorities. For nature we focus on the drivers of biodiversity loss. Robeco also reflects on its own operational environmental footprint at the end of this section.

→ *Please refer to our materiality assessment outcomes for further details*

Climate change

2024 was the hottest year on record, following an exceptionally warm 2023. On average 1.6°C warmer than the pre-industrial level, 2024 was the first year to exceed the threshold set by the Paris Agreement to significantly reduce the risks and impacts of climate change. Record air and sea surface temperatures contributed to extreme events, including floods, heatwaves and wildfires in 2024[63].

Our net-zero roadmap[64] acknowledges that climate change involves significant material impacts on, risks to and opportunities for our investments. Robeco is committed to achieving net-zero greenhouse gas emissions across its total client assets by 2050. Carbon emissions from the companies we invest in can contribute to climate change and also represent financial risks to our clients' portfolios.

The transition to a low-carbon economy is creating substantial investment opportunities. As part of our fiduciary responsibility, we are committed to managing both the environmental impacts of our investments and the financial risks and opportunities they create. This approach helps our clients benefit from the growth potential of companies preparing for a sustainable future.

Working in partnership with our clients, Robeco aspires to take a leading role in the move toward a net-zero economy. We firmly believe that doing so will lead to opportunities to enhance the long-term risk-adjusted returns of our clients' portfolios. Robeco supports the objectives of the Paris Agreement and we are a founding signatory of the Net-Zero Asset Managers Initiative[65]. Based on these commitments we have set out clear policies and a roadmap[66] for reducing the greenhouse gas emissions associated with both our investment portfolios and our own operations.

We also endorse the Dutch National Climate Agreement and the recommendations of the Task Force on Climate-related Financial Disclosures.

Our greenhouse gas emissions reduction targets are gross targets, as we do not consider techniques to remove greenhouse gases from the atmosphere, carbon credits or avoided emissions as a means of achieving the greenhouse gas emission reduction targets for our investments.

→ *Read Navigating the climate transition: Robeco's roadmap to net-zero emissions by 2050*
→ *See our TCFD table for a comprehensive overview of our approach on climate risks*

63. Copernicus Institute (2025) Global Climate Highlights 2024.
64. Robeco makes its net-zero roadmap publicly available through our website, and reports on progress via its Integrated Annual Report, ensuring transparency for all stakeholders. The roadmap focuses on climate change mitigation.
65. In this document, for ease of reading, the term carbon emissions refers to all greenhouse gases, as covered by the Paris Agreement, unless otherwise stated.
66. Our policies focus on climate mitigation. Our carbon targets are based on the climate scenarios of the UN's climate science panel, the IPCC. But methodologies for translating climate science into investment decisions are still immature. We therefore continue to develop our own approach. We will revise our targets at least once every five years, in line with the ratchet mechanism of the Paris Agreement.

Our approach

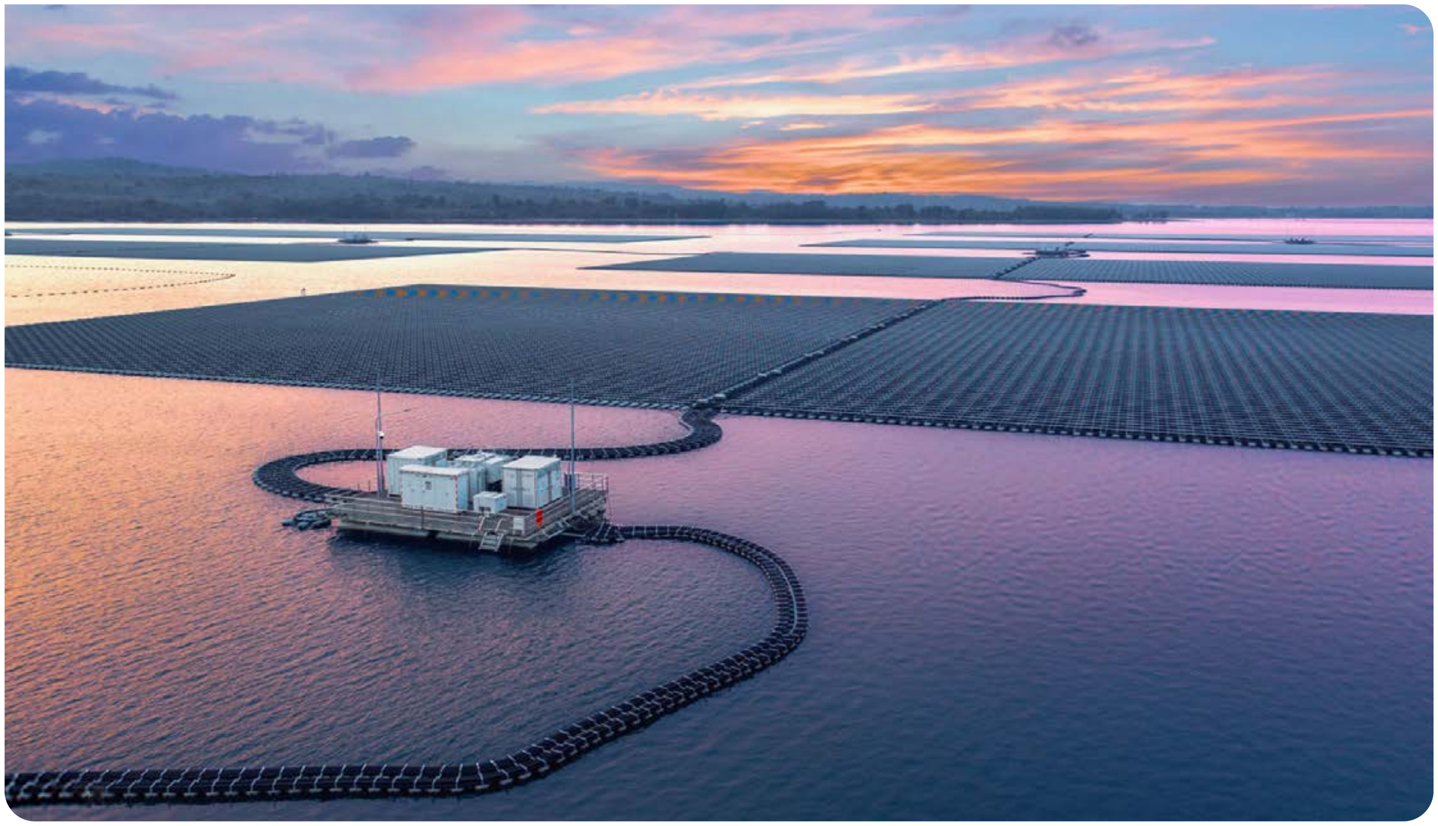
We are convinced that the low-carbon transition is not only a moral imperative – it is also the prime investment opportunity of our generation. It has been estimated that there could be inflows into carbon-related products, categorized at Robeco as climate and transition strategies, of over EUR 450 billion[67]. Robeco already has EUR 108.4 billion in client assets in funds and mandates with ambitious decarbonization targets.

Our net-zero strategy focuses on reducing emissions in the real economy. Divesting from high-carbon assets does not mean that they go away – they simply reappear in other portfolios. For the net-zero transition to be successful, we need to decarbonize high-emission sectors. This will require considerable capital. We believe our role as an investor is to invest in and accelerate the transition by decarbonizing the assets that we invest in. To do so effectively, we need to work alongside governments, companies and consumers. Governments need to facilitate and promote carbon reduction, companies need to increase their green capital expenditure and consumers need to shift to sustainable consumption patterns.

Table 18 | An overview of our progress along our net-zero roadmap[68]

Pillars	Our commitment	Key actions	Reference
Pillar 1: Decarbonization	To reduce the carbon footprints of our investments by 30% from 2019 levels by 2025 (intensity) and of our operations by 35% by 2025 (absolute).	Decarbonize our portfolios	Climate change
		Reduce our operational emissions	Operational environmental footprint
Pillar 2: Real-world transition	To use our influence as an investor to accelerate climate action by companies and countries. We will assess companies to identify those that are well prepared for the transition. For companies that do not act fast enough, we will step up our engagement activities. We will also collaborate with other investors in dialogues with governments whose bonds we invest in.	Use our influence to accelerate companies' transitions	Climate change and Stewardship
		Call for climate action by countries	
Pillar 3: Climate-aligned investing	To collaborate with clients, peers, standard-setters and relevant stakeholders in the asset management industry to accelerate net zero investing. We will contribute to the development of market standards and policies	Working with clients on decarbonization	Climate change
		Industry collaboration to promote net zero investing	Climate change

Source: Robeco[69]



67. Source: www.morningstar.com/sustainable-investing/assets-global-climate-funds-march-steadily-higher.
68. Robeco's net-zero roadmap was developed by our Climate Change Committee, which includes representatives from different domains within our organization. Robeco's climate strategist is responsible for its overall coordination. Decision-making takes place within our Sustainability & Impact Strategy Committee, which consists of ExCo members and senior managers from across domains. Ultimate approval of and accountability for our net-zero roadmap lies with the ExCo.
69. We use 2019 as the base year for our operational greenhouse gas emission targets as it reflects pre-Covid activity levels. This ensures that progress toward targets is measured consistently, without unusual external influences. There have been no changes to our baseline so far.

The carbon footprints of our portfolios[70]

As part of our pathway to net-zero by 2050, we monitor our financed emissions – in other words, the carbon footprints of our client assets. Our carbon footprint report[71] sets out the carbon footprints of the listed equity, corporate bond and government bond holdings in Robeco's funds and discretionary client mandates according to the Platform for Carbon Accounting Financials' (PCAF) carbon accounting method.

To calculate the footprints of our portfolios linked to their holdings in securities from corporate issuers[72], we use data from Trucost for emissions and revenues and data from S&P Capital IQ for calculations of enterprise value including cash (EVIC). Trucost does not provide details of market-based Scope 2 emissions[73], which is our preferred measure of Scope 2 emissions as we aim to reward companies taking action to reduce their emissions. Therefore, we source market-based Scope 2 emissions from the Carbon Disclosure Project and override Trucost's location-based Scope 2 figures where necessary.

For our portfolios' sovereign bond holdings we consider emissions per unit of inflation-adjusted GDP, which we obtain from the Electronic Data Gathering, Analysis and Retrieval system. We also use emissions data from various other corporate and sovereign data providers for research and cross-checking purposes.

We report on footprint figures for previous years, in line with the PCAF standard[74]. We report Scope 1 and 2 emissions separately from Scope 3 because we have concerns about the quality of Scope 3 data and its aggregation at the portfolio level. However, we believe that accurate integration of Scope 3 data is vital if we are to assess our portfolios' true impact on the climate. In July 2024, we included Scope 3 upstream in our standard definition of carbon footprints. We collaborated with data providers and peers to help us take further steps in integrating Scope 3 emissions into our calculations of carbon footprints[75].

In 2024 Robeco's absolute financed emissions increased as a result of the growing total client assets under management. However, the emission intensity per invested Euro declined, as well as the weighted average carbon intensity of the companies that we invested in. This picture is consistent across scopes 1, 2 and 3 emissions.

Table 19 | Financed emissions of Robeco's listed equity and corporate bonds client assets

		Total client assets (EUR billion)	Total client assets in scope* (EUR billion)	Absolute emissions (million tonnes of CO_2e)		Economic emissions intensity (tonnes of CO_2e per EUR million invested)		Weighted Average Carbon intensity (tonnes of CO_2e per EUR million revenue)		Coverage for absolute emissions (CO_2e based on % total client assets in scope)	PCAF data quality score* for absolute emissions
Scope				1, 2	1, 2, 3	1, 2	1, 2, 3	1, 2	1, 2, 3		
Funds	Equities	57.4	55.3	2.3	45.7	41.5	826.3	80.7	1,515.0	100%	1.8
	Fixed income	26.1	20.5	1.4	13.6	68.0	663.2	129.3	1,231.3	98%	1.4
	Subtotal	83.4	75.9	3.7	59.3	48.7	782.1	93.8	1,438.2	99%	1.7
Mandates	Equities	91.7	78.9	4.1	55.8	51.4	707.5	103.9	1,284.3	100%	1.8
	Fixed income	39.0	22.7	1.3	12.9	59.0	570.1	120.9	1,177.5	98%	1.7
	Subtotal	130.7	101.6	5.4	68.7	53.1	676.9	107.7	1,260.5	100%	1.8
Total as per 31-12-2024		**214.1**	**177.4**	**9.1**	**128.1**	**51.2**	**721.9**	**101.8**	**1,336.5**	**100%**	**1.7**
Total as per 31-12-2023		180.6	148.6	8.7	107.9	58.3	725.8	142.1	1,783.6	96%	2.2

Source: Robeco, 31 December 2024

Note: Total client assets in scope: client assets in scope for listed equities and corporate bonds include all issuers that have Bloomberg sector Level 1 classification 'corporate' and all issuers that have Level 2 classification 'agencies' that are regarded as corporate issuers. Derivatives, cash and securitized derivatives are not in scope. PCAF data quality score: The PCAF data quality score, as defined by the PCAF Global GHG Standard ranges from 1 to 5, with 1 representing the most certain data and 5 the most uncertain data. For all corporate holdings, we only report the scores of Scope 1 emissions. For more information, refer to the appendix on definitions of sustainability key indicators.

70. There were no significant changes to Robeco and its value chain impacting the year-to-year comparability of reported greenhouse gas (GHG) emissions..
71. Robeco does not exclude any greenhouse gas emissions category from the GHG Protocol list, which consists of 15 categories.
72. We define corporate issuers as all issuers with a Bloomberg sector Level 1 classification of 'Corporate' and all issuers with Level 2 classification of 'Agencies' that are regarded as corporate issuers. We do not include derivatives, cash or securitized derivatives.
73. Market-based Scope 2 emissions are those based on a company's contractual agreements of purchased energy (for example, the purchase of long-term renewable energy contracts), while location-based Scope 2 emissions are those based on the energy mix of the grid at the company's location.
74. We measure the carbon footprint of our investments in line with the PCAF standard, but do not fully report in line with the PCAF standard.
75. In 2024 we co-chaired a working group of the Institutional Investor Group on Climate Change (IIGCC) to develop guidance on Scope 3 emissions.

→ *Read more about market versus location-based Scope 2 emissions in the following Robeco article: The CO₂lumnist: market- versus location-based Scope 2 emissions*

→ *Read more about our view on the importance and challenges of Scope 3 emissions in our article: Navigating the murky waters of Scope 3 emissions is crucial*

For sovereign debt issuers we report financed emissions and footprints based on an inflation-adjusted measure of GDP.

This approach is advocated by PCAF as it is not possible to use EVIC or revenues to attribute ownership of sovereign emissions. Robeco's sovereign financed emissions fell slightly in 2024 relative to 2023, while total assets in scope increased. We can therefore conclude that we invested higher proportions in less polluting countries.

Table 20 | Financed emissions of Robeco's government bond client assets

	Type	In scope client assets (EUR billion)	Financed emissions (million tonnes of CO_2)	Footprint (tonnes of CO_2 per EUR million)	Coverage of in scope total client assets
31 December 2024	Fund	4.7	0.7	159	100%
	Mandate	10.0	1.4	144	100%
	Total	14.7	2.2	149	100%
31 December 2023	Fund	4.2	0.7	180	100%
	Mandate	8.6	1.4	160	100%
	Total	12.8	2.1	167	100%

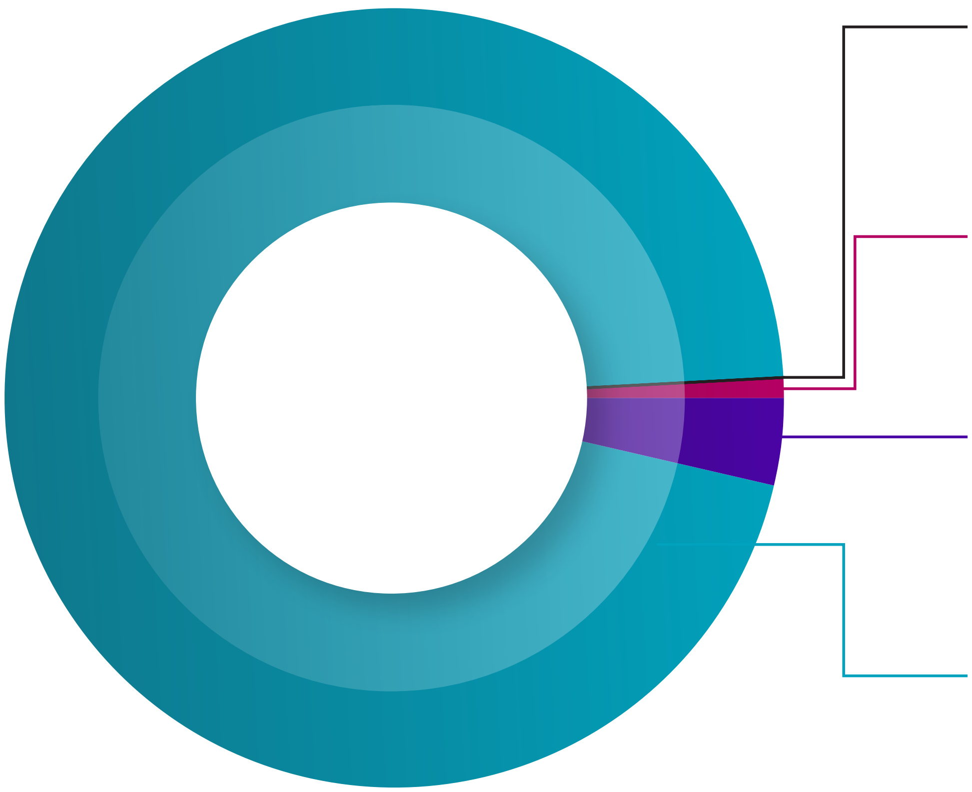
Source: Robeco, 31 December 2024

Integrated carbon report

The visual below shows all of Robeco's Scope 1, 2 and 3 emissions[76]. The emissions from our main business operations are Scope 1, Scope 2 and Scope 3 upstream. These add up to 3,993.3 tonnes CO_2e. The emissions from our investments are Scope 3 downstream and total 11.3 million tonnes CO_2e[77]. In other words, financed emissions account for 99.9% of Robeco's total emissions. Focusing on decarbonizing carbon emissions of our investments is the most material to Robeco in achieving our net-zero roadmap.

→ *Refer to the Operational environmental footprint section for further details on our operational emissions*

Figure 15 | Robeco's integrated carbon report



Source: Robeco, 31 December 2024

76. For definitions, see Greenhouse Gas Protocol.
77. This figure represents the sum of the financed emissions of Robeco's listed equity and corporate bond client assets for Scope 1 and 2 emissions and the financed emissions of Robeco's government bond client assets.

Decarbonizing our total client assets

To align with the goals of the Paris Agreement, our aim is to ensure the carbon footprint of our portfolios in aggregate is 30% lower than 2019 levels by 2025 and 50% lower by 2030. This means we need to decarbonize our portfolios in aggregate by an average of 7% per year. Our decarbonization target only applies to the equity and corporate bond holdings in Robeco funds, which account for around 40% of our total client assets. We explain the rationale behind this and our approach to decarbonization in our net-zero roadmap.

One might argue that the quality of Scope 3 data is insufficient for tracking the historical carbon footprint of investment portfolios. However, based on our in-depth in-house research, we believe that Scope 3 upstream data is suitable for this purpose. Trucost's extensive experience in generating Scope 3 upstream data ensures its comparability over time. Conversely, we acknowledge that data issues with Scope 3 downstream are hindering consistent reporting.

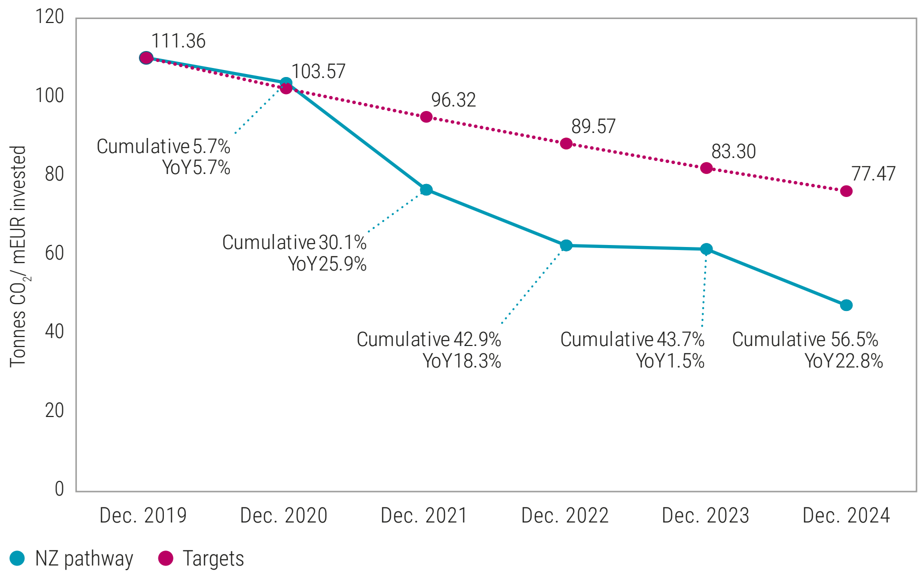
In July 2024, we included Scope 3 upstream emissions in our decarbonization metrics and targets. The main motivation for doing so is to better reflect the emissions of the whole production side of the value chains of the companies we invest in. It also prevents companies from benefiting from outsourcing their polluting activities. As we began the year primarily considering Scope 1 and 2 emissions, these remain our main focus in this report. However, we also describe our findings by taking into account Scope 3 upstream emissions.

Our portfolios' carbon footprint in 2024 only taking into account Scope 1 and 2 emissions was 56.5% lower than the baseline year of 2019. This means that we have already met our 2025 target to reduce our footprint by at least 30% and, as it stands, we are also already ahead of our target to reduce their emissions by 50% by 2030. After sizable reductions to their emissions in 2021 and 2022, we reduced our portfolios' emissions by another 22.8% in 2024. Including Scope 3 upstream emissions in our calculations[78], our portfolios' emissions were 43.8% lower in 2024 than they were in 2019. Even though this implies they decarbonized less than if we just take into account Scope 1 and 2 emissions, we are still ahead of our 2025 target of a 30% cut in emissions.

These figures are corrected for asset price inflation, which could potentially artificially reduce our portfolios' carbon footprints[79].

We correct for this effect by adjusting the level of decarbonization using a market-weighted average EVIC growth factor, in line with the PCAF approach. We use the current asset mix to determine historical footprints to avoid an artificial decarbonization effect resulting from client outflows from 'dirtier' asset classes and inflows into greener asset classes. Year-on-year changes in asset prices and the asset mix also impact historical footprints. The baseline footprint will therefore also change every year; this is called re-baselining. We stress the importance of continuous development of methodologies to track decarbonization.

Figure 16 | Our progress toward our decarbonization target for the assets we manage



Source: Robeco, 31 December 2024

78. In 2024, scope 3 upstream emissions of our investments are not included in the carbon data calculation, however they are already included in the decarbonization progress data calculation in light of the transition year.
79. Without any adjustment for EVIC inflation, our portfolios' carbon footprint is down by 58.5% since the baseline year. In the individual years from 2020 until 2024, the unadjusted annual reductions in carbon footprints were 0.8%, 35.3%, 26.1%, 10.7% and 12.4%. Additionally, the denominator of the carbon footprint is based on the market value of the companies we invest in. The higher the market value is, the lower the carbon footprints are.

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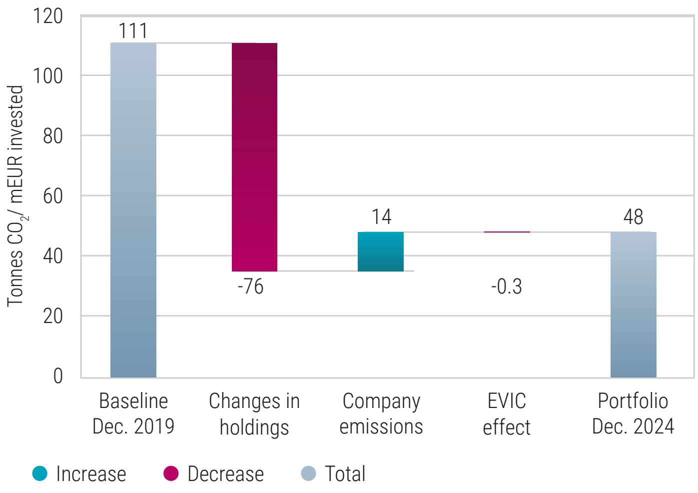
Figure 17 | Attribution analysis of the main drivers of decarbonization 2019-2024[80]



Source: Robeco, 31 December 2024

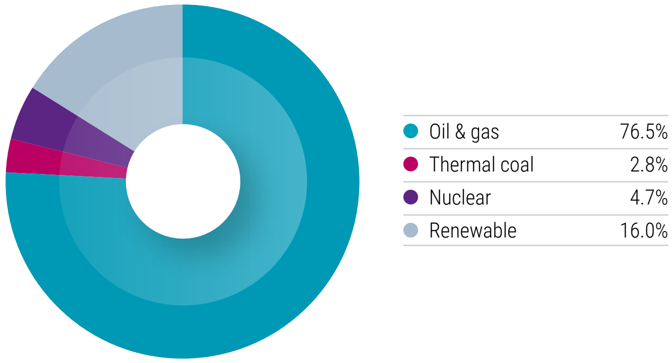
The attribution analysis chart above shows the main drivers of the 56.5% decarbonization of our equity and credit funds from their baseline emissions of 111.4 tonnes of CO_2e per million euros invested in 2019 to 48.36 tonnes of CO_2e per million euros invested in 2024. Compared to the baseline, our portfolios' footprint is 76.4 tonnes of CO_2e per million euros invested lower in 2024 than the baseline was in 2019, as the portfolio in 2024 has on average cleaner positions than the baseline (change in holdings).

Although this reduction in their carbon footprint could partly be because of general market movements, the lion's share is due to our decisions to divest from dirtier companies[81]. Interestingly, the emissions of the companies we invest in increased between 2019 and 2024, adding 13.8 tonnes of CO_2e per million euros invested to our portfolios' emissions footprint.

Our energy-mix exposure

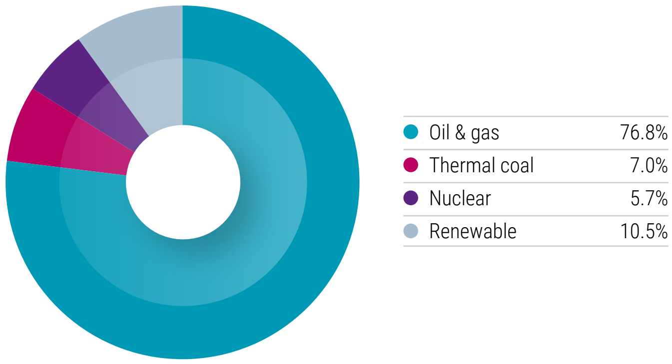
As at 31 December 2024, Robeco's exposure to energy-related investments[82] was 3.7%. This exposure is expressed as a proportion of the in-scope assets[83] for which we have data on revenue exposure to energy production, generation and supporting practices and services[84]. Covered assets amount to EUR 173.8 billion. The aggregate exposure of the indices our portfolios are benchmarked[85] against was 5%. This energy exposure is split between thermal coal, oil and gas, nuclear and renewables in the proportions shown in Figure 18 for Robeco's assets in scope and in Figure 19 for the benchmarks. The charts show that our energy exposure includes more renewable energy and less thermal coal than the benchmarks. This is a reflection of the multiple climate measures that we have implemented, such as our decarbonization targets, our thermal coal exclusion policy and climate standards for the companies we invest in.

Figure 18 | Energy mix of Robeco's energy-related holdings



Source: Robeco, 31 December 2024

Figure 19 | Energy mix of energy-related holdings in the benchmark



Source: Robeco, 31 December 2024

Incorporating climate considerations into our investment processes and strategies

We believe that systematically considering climate change in our investment processes for companies in high impact sectors is essential for the future success of our investment strategies.

In 2024 we continued our research program on sector-level decarbonization pathways. As part of this research, we analyzed how sectors need to decarbonize to stay within the 2°C carbon budget and identified the necessary technologies and policies. We went on to analyze how individual companies are performing against their sector benchmark, considering both their current carbon emissions and their forward-looking transition plan. Our analysts use this knowledge to assess the financial implications for each company, taking into account factors such as capital expenditure and carbon pricing. Our sector pathway now covers around 80% of our investment universe. Based on this research, we have developed proprietary forward-looking climate indicators that we can use in our investment strategies. These include our Climate Traffic Light, which measures the alignment of a company's targets with the Paris Agreement and the credibility of these targets.

Working with clients

We offer our clients a broad range of climate-oriented investment strategies. As part of Robeco's net-zero strategy we introduced a new range of funds focused on investing in the climate transition in 2024.

80. The attribution chart shows that our adjustment approach (based on the PCAF method) almost perfectly corrects for changes in EVIC, as there is hardly any residual effect (-0.3 tonnes of CO2e per million euros invested) from changes in EVIC.
81. We are currently working on a new methodology to disentangle decarbonization from market movements and from our own trading decisions.
82. The exposure is calculated as the weighted average of the energy-related revenues (as a percentage of total revenues) of portfolio holdings, weighted by holding amount. Energy-related revenues are based on data from Sustainalytics' Product Involvement and impact metrics datasets.
83. In scope are all issuers that have Bloomberg sector Level 1 classification 'corporate' and all issuers that have Level 2 classification 'agencies' that are regarded as corporate issuers. Derivatives, cash and securitized derivatives are not in scope.
84. Coverage of in-scope assets is 98% for the energy-related revenue dataset.
85. The benchmark used is an aggregation of each of the underlying benchmarks of the underlying funds, weighted by the funds' assets under management.

We will also help clients who invest with us via mandates to achieve their individual decarbonization goals. Although climate considerations have long been a priority in our client discussions, this year we launched a new program specifically designed to engage bespoke mandate clients in a dialogue about their climate objectives and explore how Robeco can support them on their journey. We will continue these client discussions in 2025 and the coming years.

Climate engagements

Our climate engagement program aims to capitalize on our influence as an investor to help accelerate climate action by companies and countries. Our climate engagements with companies focus on high emitters that are lagging in the energy transition. For some of these companies, divestment may be the ultimate consequence if our engagements prove unsuccessful. We include banks in our climate engagement program so that we can engage with the sources of funding for projects (such as new oil fields) that generate emissions as well as the companies that are directly involved.

Our proprietary Climate Traffic Light model helps us identify companies that represent priorities for engagement. In 2024, we engaged with more firms on the topic of climate change, reaching 80 companies (up from 54 in 2023). These are companies in high-emitting sectors that we prioritized based on factors including their traffic light score and our investment exposure to them. In 2024, the key developments in our climate enhanced engagement include the conclusion of engagements with seven companies. Five made sufficient progress, one was placed in our enhanced engagement program (putting it at risk of divestment) and one failed to meet our minimum expectations so we added it to our exclusion list.

CLIMATE TRAFFIC LIGHT

This model assigns companies the color dark green (aligned), light green (aligning), amber (partially aligning) or red (misaligned) based on their level of alignment with the goals of the Paris Agreement. The model helps us distinguish between high-emitting companies that are taking steps to transition from those that are not.

Robeco participates in collaborative engagements whenever possible, which is deemed to be of added value. In 2024 we took part in collaborative engagements at over 20 of the Climate Action 100+ Initiative's focus companies, either as a lead or a contributing investor.

We use voting power as an escalation strategy when companies do not meet our expectations on climate change. We base this judgment on our traffic light model and external benchmarks, including the Climate Action 100+ Initiative's net-zero benchmark, the Transition Pathway Initiative and Urgewald's Coal Exit List. In 2024 we voted against management recommendations at over 130 shareholder meetings due to our concerns about these companies' climate change performance. The management resolutions relate primarily to the nomination of the chair of the board and other relevant directors.

Throughout 2024 companies continued to put their climate transition plans up for vote at annual general meetings. We voted against 57% of the plans put to vote. We expect management resolutions to include greenhouse gas emission reduction targets that are aligned with the Paris Agreement goals, covering all material scopes of emissions, and a decarbonization strategy setting out how the targets will be met. In particular, we did not support plans with significant gaps in their emission reduction targets, such as the emissions they cover, or that lacked credible decarbonization strategies.

We also use our voting rights to support shareholder proposals that help address risks linked to climate change. In 2024 we supported 69.9% of climate-related shareholder resolutions. We assess shareholder resolutions based on their merit. In general, we support resolutions requesting enhanced climate-related disclosures or risk management and the setting of targets in line with the goals of the Paris Agreement.

Robeco also calls on governments to fulfill their vital roles in the transition toward net-zero. Governments are in the unique position of being able to steer the behavior of companies and consumers through their legislative power, and they also have a duty to protect their citizens from the adverse effects of climate change. In 2024, we were involved in two climate-related policy engagement activities. First, we signed a joint-investor letter to the Bank of England that called for the promotion of regulatory capital requirements for banks that reflect climate risks and that support the long-term resilience of the financial industry. Second, we supported the Global Investor Statement to Governments on the Climate Crisis, which calls on governments to adopt the climate policies needed to achieve the goals of the Paris Agreement.

→ *Learn more about our voting, engagement and exclusions*

Climate collaborations

If a net-zero economy is to be achieved, global markets need to price carbon emissions and climate risks into the value of goods, services and assets. Robeco works in partnership with asset owners, other asset managers, standard-setters, policymakers and academics in support of this outcome.

Our collaborations in 2024 included:

- advancing the collaboration with Mirova and ten other investors to set up an industry standard and database for measuring avoided emissions from investments in climate solutions;
- participating in various working groups of the Institutional Investor Group on Climate Change (IIGCC) to develop guidance and solutions for investors on, for example, climate solutions and Scope 3 emissions;
- participating in the strategic advisory committee of the Transition Pathway Initiative to develop decarbonization benchmarks and data for investors;
- working with the Dutch Financial Sector Commission on implementing the Dutch Climate Agreement.

Nature

The World Economic Forum estimates that over half the world's GDP is critically dependent on the services that nature provides, and therefore potentially exposed to risks arising from nature loss[86]. Science shows that these risks are growing in magnitude. In 2019 the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystems Services (IPBES) published its first report since 2005 on the status of global biodiversity. Its findings included that a million animal and plant species (out of an estimated total of 8 million) face the risk of extinction, 45% of the world's forests are degraded, and that 40% of oceans and 23% of land are overused and degrading[87].

Reduced biodiversity could have significant implications for businesses. Companies depend on the services nature provides, and deterioration in these services, such as reduced supply of fresh water, could represent a source of physical risk. Meanwhile, businesses contribute to the underlying drivers of biodiversity loss – of which, according to IPBES, there are five: land use change, (over-) use of natural resources, invasive species, pollution and climate change. To minimize further losses, companies need to reduce and mitigate their contributions to these five drivers.

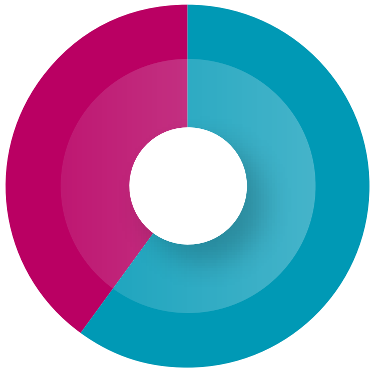
In 2022, governments from around the world adopted the Kunming-Montreal Global Biodiversity Framework to halt and reverse nature loss by 2030. To achieve this goal, governments are developing national targets and policies, and they expect companies and investors to do the same. For the Kunming-Montreal Global Biodiversity Framework's aims to be achieved, there needs to be a fundamental transformation of the global economy involving policy changes, technological innovations, new legal and social norms and changed consumer preferences. These changes will lead to risks and opportunities for companies and investors. Central banks and financial regulators are increasingly recognizing these developments as sources of systemic risk for the global financial system, and are therefore integrating nature risk in their mandates.

All these developments confirm the status of biodiversity as a material topic for Robeco and its clients. In 2024 we made further progress in terms of how we identify and manage the biodiversity-related risks we are exposed to and how we capitalize on the investment opportunities provided by biodiversity. As a result of our materiality assessment, we also deemed pollution and circular economy to be material due to their significant influence on biodiversity.

Our exposure to nature risks and impacts

We have analyzed our exposure to nature risks and impacts using the recommendations from the Task Force on Nature-related Financial Disclosures (TNFD) and the requirements set out in the European Sustainability Reporting Standards. As a first step, we assessed how much of our total client assets at the end of 2024 was invested in sectors with a high impact and dependency on nature.

Figure 20 | Client assets[88] invested in sectors with high dependency and/or impact on nature



Low impact	69.0%
High impact	31.0%

Source: Robeco, 31 December 2024

According to our analysis, 31% of our total client assets are invested in sectors with a high dependency and/or impact on nature[89], and are therefore potentially exposed to nature-related physical and/or transition risks. The analysis provides an indication of the nature-related risks that we are exposed to at the sector level, but no direct insights into the financial risks that these involve. This is because companies in the same sector can have different risk exposures. For example, deforestation risks associated with soy procurement vary widely depending on where a company sources its raw materials. Companies also differ widely in how they mitigate the nature risks they are exposed to: firms procuring soy might reduce the deforestation risks they are exposed to through traceability, certification and supply-chain collaboration.

While our sector exposures indicate the nature risk hotspots in our portfolios, we need company-level data to assess the actual physical and transition risks that companies are exposed to, how well they are mitigating these risks and the associated financial implications. In 2025, we will further develop our analysis of three topics: commodity-related deforestation, water consumption and hazardous waste.

→ *Find more information about our TNFD alignment in Appendix 3*

Our policy and commitments

The nature risks that we are exposed to through the companies we invest in are a reflection of systemic risks in the global economy. Effective mitigation of these risks requires a global transition toward a nature-positive economy. As such, Robeco supports the global efforts to halt and reverse nature loss by 2030, in line with the Kunming-Montreal Global Biodiversity Framework. The companies we invest in need to reduce their negative impacts on nature and transition toward nature-positive business models. Governments need to steer this transition through policies and regulations that both stimulate and enforce nature-related actions. As investors, we assess how the companies and countries we invest in manage their approach to the nature transition. We use these insights to guide our investment decisions, develop investment solutions and policies, engage with companies and countries, and exercise our shareholder influence and voting rights.

86. World Economic Forum: Nature Risk Rising: Why the Crisis Engulfing Nature Matters for Business and the Economy
87. IPBES (2019), The global assessment report on biodiversity and ecosystem services.
88. Client assets in scope represent 95.2% of our total client assets. These include listed equities and corporate bonds as well as treasury, government bonds, and securitized investments. These do not include investments that are not classified by GICS or BCLASS such as futures, ETFs, cash and swaps.
89. The list of sectors with high dependency and /or impact on nature is defined by TNFD in the Sector guidance: Additional guidance for financial institutions paper.

We have made a number of commitments to nature in recent years. For example, Robeco became a founding signatory of the Finance for Biodiversity Pledge in 2020. By signing the pledge, we joined other financial institutions in calling for and committing to take ambitious action on biodiversity and to set targets before the end of 2024. We will disclose these targets before the end of 2025. In 2021, we signed the Financial Sector Commitment on Eliminating Commodity-Driven Deforestation, as part of which we committed to work toward eliminating the agricultural deforestation risks the companies we invest in are exposed to. In 2024 we became one of the early adopters of the TNFD Framework, and we expect companies to use it in their disclosures, as we do ourselves.

To oversee our progress toward our commitments, Robeco has established a Biodiversity Committee that includes representatives from several of the company's departments. The committee reports to our Sustainability and Impact Strategy Committee (SISC), which is a sub-committee delegated by the Executive Committee. The Executive Committee has overall accountability for implementing Robeco's sustainability policies. We aim to deliver on our nature goals through four main approaches: integrating nature considerations in our investment processes, nature stewardship, developing nature-related investment solutions and monitoring nature targets. We provide more details about each of these approaches later in this section.

→ *For more information on our sustainability policies and how we implement them, read our Sustainability integration: Approach and Guidelines*

MONITORING TARGETS

In line with the Finance for Biodiversity Pledge that we made in 2020, we set nature targets in December 2024. These targets will be included in our updated net-zero and nature roadmaps for 2025-2030.

Integrating nature considerations in our investments

To make better-informed investment decisions on behalf of our clients, we systematically integrate financially material ESG issues, including biodiversity, in our investment processes. Our sustainable investment research includes analysis of material nature-related impacts and dependencies and how they affect business fundamentals.

We assess the impact on nature of the products and services provided by companies in all industries. In doing so we assess companies' direct operations and also the impact of their value chains. Firms in some industries, such as fast-moving consumer goods, have a considerable impact on nature and biodiversity. Products' negative impacts on nature may be or become subject to regulation, which has or will have an impact on the cash flows and investment performance of the companies making them. As one of the key drivers of biodiversity loss, we always assess companies' impact on climate change. We also analyze the climate-related risks they are exposed to, the opportunities available to them and their climate transition plans.

Based on the financial materiality of nature and biodiversity risks to an industry, we analyze various other factors. For example, we consider supply chain management and raw material sourcing for companies in over 40 sub-industries. This includes an assessment of whether companies have received sustainability certifications from organizations such as the Roundtable for Sustainable Palm Oil and the Marine Stewardship Council. We also assess the operational eco-efficiency of companies in over 40 sub-industries, such as their approach to using water and energy. We also assess product stewardship – how a company measures environmental impacts across the lifecycles of its products – for firms in over 20 sub-industries.

Our Country Sustainability Ranking assigns a 30% weight to environmental factors, which include biodiversity, climate change, water, waste and environmental risks, including the physical climate risks and risks of natural hazards that countries are exposed to.
As well as assessing financial materiality today, we need to consider companies' likely relationships with nature and biodiversity over the coming decades. To help us do this, we developed a forward-looking tool called the Biodiversity Traffic Light in 2024 to measure how ready companies are for the transition to a nature-positive future. It assesses companies relative to other firms in their sector based on their current impacts on nature and how they are working to mitigate these impacts. We determine the key adverse impacts, such as pollution and change in land use, relevant to each industry based on TNFD sector guidance and gather as much data as possible to assess those companies' impact on nature. We also consider any credible targets, commitments and initiatives that companies may have made to mitigate their impacts.

While the coverage and quality of nature data at the issuer level are low, the traffic light helps us evaluate how companies are addressing biodiversity loss and differentiate between companies that are leading the way and those that are lagging. Experts from our biodiversity partner, World Wide Fund for Nature Netherlands (WWF-NL), have provided insightful feedback on our approach to assessing companies' impact on nature loss.

We piloted our Biodiversity Traffic Light in 2024 and it will go live in 2025. We will use it to support our investment analysis, develop new investment solutions and inform our stewardship and voting activities.

Nature stewardship

Our nature engagements focus on companies in sectors that have a considerable negative impact on biodiversity. In 2024 we engaged explicitly on the topic of biodiversity loss with more than 30 companies as part of different engagement programs. We also discussed biodiversity with 50 other companies, even though the topic was not one of the main focuses of our engagements with those firms. Biodiversity-related considerations are also included in our voting guidelines and exclusion policy.

Nature engagement themes

We launched two new engagement programs related to biodiversity in 2024, and they are expected to span three years. In the first half of the year we launched an engagement program focused on hazardous chemicals. It targets chemicals companies that produce or use per- and polyfluoroalkyl substances (PFAS) – so-called 'forever chemicals' that do not break down and have been linked with a range of harmful effects on human health. Through our engagements we are requesting that companies reduce the hazardous nature and persistent chemical footprint of their products, and ideally phase them out entirely from the production process.

In the second half of 2024 we also launched an engagement program focusing on the health of the oceans. We are engaging with firms involved in ocean-based activities such as seafood harvesting, shipping and cruise lines in this theme, asking them to consider how they can manage both their impacts and dependencies on marine health. It also explores opportunities in the transition toward business models that are nature-neutral and even restorative value creation models. We also co-signed a joint statement with other investors calling for third-party data providers to provide enhanced ESG data on ocean-related risks to encourage greater investment in ocean health.

In 2024 we continued our Natural Resource Management engagement program, which focuses on the responsible management of natural resources and the mitigation of significant adverse impacts on the environment. It is aimed at companies involved in economic activities that are water-intensive or generate significant amounts of hazardous waste. Our engagement covers topics such as policy and targets on water and waste, and companies' operational water and waste management. Progress has been made in half of our engagements, with some of the companies we have been talking with putting greater emphasis on water and nature challenges in their policies and strategies.

Our engagement with financial institutions on the impact of their activities on climate change started in 2021. After three years of dialogue, our engagement broadened to include biodiversity in 2024 as we recognize that climate targets cannot be achieved without protecting and restoring nature. We have set four overarching engagement objectives based on the Taskforce for Climate-related Financial Disclosures (TCFD) and TNFD Frameworks. Biodiversity is still a relatively new topic for many financial institutions, so our engagements made limited progress during the year.

In 2024 we concluded nearly all of our enhanced engagement cases focusing on sustainable palm oil with companies producing palm oil.

In 2025, the enhanced engagement program will be expanded to encompass other agricultural commodities linked to deforestation risks, such as beef and timber, in line with the COP26 Financial Sector Commitment on Eliminating Commodity-driven Deforestation that Robeco signed in 2021.

NATURE TRANSITION PATHWAY FOR THE SEAFOOD INDUSTRY

In 2024, we collaborated with WWF to develop a 'Nature Transition Pathway for Seafood' to help companies involved in seafood have a more positive impact on nature. To create the framework, we made use of WWF's expertise on sustainable fisheries, aquaculture and blue finance.[91] The framework leans on guidance from the science-based targets network, Taskforce for Nature-related Financial Disclosures and the World Benchmarking Alliance. We will use the first version of the pathway to guide our engagements with companies, but it will evolve over time to reflect the latest scientific guidance and corporate realities.

91. Blue finance involves providing finance to activities that promote ocean conservation and practices that ensure the wellbeing of communities that depend on the ocean.

The palm oil engagement efforts have been based on companies' level of certification against the Roundtable on Sustainable Palm Oil (RSPO) standard, focusing on companies that have received RSPO certification for 50-80% of their land. The main goal of the program was to support these companies in making a commitment towards zero-deforestation and receive RSPO certification for 80% of their land by the end of 2024. Upon completion of the program, we closed two engagement cases successfully and extended our engagement with the remaining company for an additional year.

Proxy voting

In 2024 we continued to consider deforestation in our proxy voting policy, targeting companies with high exposure to deforestation risk and inadequate procedures to manage this risk, and companies that have been involved in repeated severe deforestation-linked controversies. We voted against the most appropriate agenda items at the annual general meetings of the companies involved.

Sovereign engagement

We recognize that addressing deforestation requires more than just engaging with companies. Most deforestation is concentrated in a relatively small number of jurisdictions and can be deemed to be a country risk. As such, we engage with some governments to encourage them to implement policies to minimize deforestation while delivering their nationally determined contributions under the Paris Agreement.

Robeco has been part of the Investor Policy Dialogue on Deforestation Initiative since its foundation in 2020. We co-chair the workstream responsible for engaging with Indonesia's government and actively participate in the Brazilian workstream. Engagement with Indonesian government agencies was slow in 2024 as the country held a general election, resulting in the appointment of a new cabinet. We conducted broader policy engagement on the EU Deforestation Regulation as part of the initiative. In November 2024 we sent a letter to the EU Parliament supporting this regulation and rejecting the European Commission's proposal for a one-year delay in its implementation.

Collaborations and external commitments

Robeco is also involved in several collaborative engagement initiatives related to nature loss. We have been co-chairing the steering committee of Nature Action 100 since the initiative's launch in 2023 and are involved in its technical advisory committee. We engage with 11 companies through this group, focusing on the chemicals, food, and metals and mining industries, which are major drivers of nature loss. We have seen more progress in our engagements with companies headquartered in developed markets, where the topic of nature loss has been more widely addressed through regulation and consumer demands, than with companies in emerging markets. Many of the firms from emerging markets that we have been engaging with are still in the early stages of determining the financial materiality of nature loss for their businesses.

In 2024 we formally joined the PRI Spring Initiative, an investor collaboration focusing on companies exposed to commodities linked to deforestation in Latin America and Southeast Asia. Robeco is part of the signatory advisory committee of this initiative and we have been engaging with companies as part of this group, asking them to mitigate deforestation risks in their supply chains and adopt responsible lobbying practices.

During the year we also joined Finance for Biodiversity's FABRIC collaborative engagement. This is relevant to our fashion transition engagement theme, which promotes a shift from linear to circular business models, responsible sourcing practices and human rights in the fashion industry. FABRIC's collaborative engagements will formally launch in 2025, specifically targeting the textile industry and focusing on phasing out the use of fossil fuels, promoting circular business models and setting Science-Based Targets for Nature (SBTN) on land use and freshwater use.

→ *Learn more about voting, engagement and exclusions and read our 2024 Stewardship Report*

Investment solutions

The Robeco Biodiversity Equities strategy aims to capitalize on opportunities resulting from the shift toward a more nature-friendly economy. The fund focuses on sustainable forestry and food systems, pollution reduction and ecosystem restoration. The investment team worked with WWF-NL for guidance on how to select companies with respect to biodiversity. The fund also features a dedicated biodiversity engagement overlay, covering at least 20% of its holdings. Our engagements focus on how companies involved in the apparel, packaged consumer product and animal protein sectors manage biodiversity risks and opportunities. These companies are exposed to high-risk commodities, such as pulp and paper, and stand to benefit from innovation in products and operational processes that could reduce their impacts on biodiversity. In 2024 many of the companies we engaged with improved their understanding of nature impacts and dependencies, driven by the release of more sector guidance by the TNFD and double materiality frameworks under the European Sustainability Reporting Standards (ESRS). We helped companies understand how to interpret and implement the guidance and frameworks.

Priorities for 2025

Our priorities for 2025 include deploying our Biodiversity Traffic Light in our existing strategies and to help us develop new investment solutions. We will also seek to enhance the traffic light, focusing on incorporating forward-looking measures, and to develop geospatial insights that combine the location of company assets with biodiversity data.

On the engagement front we will initiate an enhanced engagement program focusing on companies that are directly exposed to agricultural commodities that pose a risk of deforestation but lack a robust approach to manage this risk. We also intend to launch an engagement theme focusing on transition minerals such as nickel and cobalt, targeting the biodiversity issues linked to these minerals' value chains. We will also expand our engagement approach on water and waste management as part of our broader nature targets.

Operational environmental footprint

Non-material topic

Our own environmental footprint reflects our direct impact on the planet. While this may be limited compared with those of many of the companies we invest in, we remain committed to upholding sustainability as a core value. Conscious of the emissions and resource consumption associated with our operations, we strive to minimize our negative environmental impact.

Reducing our operational emissions

We aim to achieve net-zero emissions by 2050, both in terms of our own operations and our investment strategies, as set out in our net-zero roadmap. Our first interim target is to reduce our operational emissions by 35% from 2019 levels by 2025. We have chosen 2019 as the base year for our operational greenhouse gas emission targets as it relates to the pre-Covid environment. To achieve this goal, we have developed emission-reduction plans for our travel arrangements, buildings and the goods and services we buy.
Our emissions in our baseline year of 2019 were 4,042 tonnes CO_2e, and the figure in 2024 was 48 tonnes of CO_2e lower at 3,993 tonnes. Emissions per full-time equivalent (FTE) fell from 4.31 tonnes/FTE in 2019 to 3.88 tonnes/FTE in 2024. Below we explain the key developments for scope 1, 2, and 3 (upstream).

Table 21 | Robeco's operational carbon emissions[92]

Scopes and emissions[1]	2024	2023	2022	2021	2020	2019	2024	2023	2022	2021	2020	2019
Metric unit	tonnes CO_2e	tonnes CO_2e	tonnes CO_2e	tonnes CO_2e	tonnes CO_2e	tonnes CO_2e	in %	in %	in %	in %	in %	in %
Scope 1												
Company vehicles	151.1	190.1	236.2	237.7	306.3	470.9	3.8%	4.5%	7.6%	14.2%	16.1%	11.7%
Company facilities	-	-	-	-	-	-	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Scope 2												
Company vehicles	182.1	153.4	117.0	125.8	99.0	102.0	4.6%	3.7%	3.8%	7.5%	5.2%	2.5%
Company facilities	502.9	394.6	446.6	363.9	360.3	453.9	12.6%	9.4%	14.3%	21.7%	18.9%	11.2%
Scope 3 Upstream												
Purchased goods and services[2,3]	130.1	180.3	376.7	404.0	337.2	490.4	3.3%	4.3%	12.1%	24.1%	17.7%	12.1%
Fuel and energy related activities	109.5	115.1	102.6	184.6	156.4	38.1	2.7%	2.7%	3.3%	11.0%	8.2%	0.9%
Waste generated in operations	64.5	50.8	44.4	35.0	34.3	36.7	1.6%	1.2%	1.4%	2.1%	1.8%	0.9%
Business travel	2,671.1	2,953.6	1,668.3	258.9	484.2	2,186.0	66.9%	70.3%	53.5%	15.4%	25.5%	54.1%
Employee commuting[4]	182.0	162.4	125.0	67.2	124.1	263.6	4.6%	3.9%	4.0%	4.0%	6.5%	6.5%
Total	**3,993.3**	**4,200.3**	**3,116.8**	**1,677.1**	**1,901.8**	**4,041.5**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Notes
Legend: tonnes CO_2e = 1000 kg CO_2 equivalents
1. More information on the conversion factors that have been used to calculate the emissions including the updated factors of conversion compared to prior years if applicable can be found in the Appendix 6.
2. The decrease in the usage of purchased goods and services in 2023 is caused by a change in the measuring methodology by the data centers.
3. In 2024, the comparative figures of the data centers for the years 2019-2023 have been adjusted, due to better insight in the underlying data.
4. The increase in commuting is linked to the reduction in average days working from home.

92. We calculate our operational carbon emissions in line with the Greenhouse Gas Protocol, but do not fully report in line with the Protocol. Additionally, we use an operational control approach for our emission consolidation.

Scopes 1 and 2

We have reduced our Scope 1 and 2 emissions by 19% relative to 2019 levels, mainly due to lower emissions from company vehicles. Our Scope 2 emissions resulting from our offices have increased which is related to the growth of our international offices since 2019.

Company vehicles

In 2022 we implemented our updated car lease policy, which only permits us to lease fully electric vehicles in the Netherlands and plug-in hybrid or electric vehicles at other office locations. The updated policy took effect in January 2022 and applies to every vehicle on a new lease contract. The gradual decarbonization of our lease car fleet continued in 2024. By the end of the year, 78% (2023: 70%) of our car fleet was fully electric and 86% (2023: 65%) of our non-electric vehicles were hybrid.

Company facilities

Our buildings' energy consumption, especially the electricity they use and the energy used to heat and cool them, remains the main source of our Scope 2 emissions. The FIRST building in Rotterdam, which is Robeco's head office has the largest energy consumption. Robeco moved into this building in 2016 as one of its first tenants. When it was completed, the building was awarded an 'Excellent' rating from BREEAM, one of the most comprehensive rating systems covering sustainable building design. Its 'Excellent' rating in 2016 means the building used very little energy in 2019.

Although we do not have a BREEAM In-Use rating at present, the FIRST building is still one of the most sustainable large office buildings in Rotterdam. We are in discussions with our landlord, which is responsible for obtaining property certificates, to obtain a BREEAM In-Use certification that will provide accurate details of the building's performance in areas such as energy efficiency, water management, indoor environmental quality, waste and pollution, and materials and resources. It will also highlight room for improvement to increase the building's sustainability.

Robeco has asked an external advisor to independently investigate the possible improvements that could be made. This would involve the advisor assessing, for example, which equipment within the building needs to be replaced and the minimum standards for any replacements to ensure we will be able to meet future sustainability standards. Together with the landlord we will make an improvement plan in 2025. This will not directly result in replacing machinery in the short term.

Our electricity use in 2024 was lower than in 2019. The electricity we used in Rotterdam (excluding for charging electric vehicles) was down by 23% from 2,316 MWh in 2019 to 1,787 MWh in 2024. This means we are making progress toward our target of a 35% reduction in our use of electricity for our offices by 2025 compared with 2019. The electricity we use in Rotterdam is renewable and as such does not result in CO_2e emissions. The emissions related to our company facilities are the result of the energy use in international offices.

Meanwhile, we are improving the sustainability of our offices where

possible. In September 2024 we relocated our London office. At the time of our search for a new office, the availability of buildings with a high sustainability rating was very limited. We selected an office building with an Active Core Gold Certificate from the WELL Building Standard, which considers how buildings enhance human health and wellbeing. We adopted a sustainable approach for the design and fit-out of the new premises. This involved choosing materials with sustainability certifications and minimizing resource consumption, waste generation and negative ecological impacts. We considered human and environmental health by selecting materials that meet standards for toxicity and emissions. Our new office is also close to transport hubs, making it easy to access by public transport.

In December 2024 we relocated our Singapore office. Our new office has direct access to Singapore's Mass Rapid Transit (MRT) network via underground pedestrian links to the Marina Bay and Downtown MRT Stations. The office building has been awarded both a LEED Platinum certification and a BCA Green Mark Platinum certification. These certifications require a building to meet a range of criteria, including in terms of its energy efficiency, water usage, sustainable site development, materials selection, and indoor environmental quality. We also considered sustainability in the design and fit-out of our new Singapore office.

Scope 3 upstream

Business travel accounts for most of our Scope 3 upstream emissions and a significant portion of our operational carbon footprint. We discuss this below, and go on to summarize our other Scope 3 upstream emissions.

Business travel

We are targeting a 7% annual reduction in carbon emissions from business travel per FTE between 2021 and 2025 compared with 2019 levels. This translates into a 30% reduction from 2019 levels by 2025. Since 2019 our total client assets have increased from EUR 173.5 billion to EUR 214.1 billion in 2024 and we have a presence in multiple locations around the world. In 2019, 57% of our total client assets was from clients outside the Netherlands, but by 2024 this had increased to 74%. The Netherlands remains our headquarters where we house our central corporate functions and the majority of our investment teams. We have established hubs in Switzerland, Hong Kong, and London, which limit the size of our other international offices while still delivering high-quality service to our international client base. It does, however, require us to travel in order to remain connected.

Every year we set carbon budgets for business travel for each of our business domains with the aim of reducing our overall emissions. To keep our environmental footprint as low as possible, we encourage our employees to hold digital meetings where possible. When traveling is necessary, we encourage lower-carbon options such as train journeys. If air travel is needed, we book direct flights wherever possible to reduce emissions resulting from take-off and landing. We accept that these choices are more costly.

Despite these efforts, our carbon emissions per FTE resulting from business travel increased from 2.3 tonnes CO_2e/FTE in 2019 to 2.6 tonnes CO_2e/FTE by 2024. This increase was caused by growth in the number of our employees, clients and investment capabilities outside Europe, where it is not always possible to travel by rail instead of air. Our 2024 emissions related to business travel amounted to 2,671 tonnes CO_2e, which was 10% lower than in 2023. Note that travel restrictions due to the pandemic explain our lower emissions in 2020, 2021 and 2022.

Our travel policy sets out how we should travel, and in 2024 we introduced guidance on when to travel. We also enhanced our internal reporting processes and moved to a single supplier for our global travel arrangements. This provides us with increased control over the booking process and up-to-date emissions data for our travel arrangements. As a next step we plan to work with our frequent flyers to help them reduce their personal carbon emissions and create plans for their business travel arrangements.

Other Scope 3 upstream emissions

Reducing our operational emissions resulting from the goods and services we buy involves a stark challenge: vendors are not able to provide data about the proportion of their emissions that result from the goods and services we buy from them. This makes it hard to objectively identify which vendors we should prioritize to reduce our Scope 3 emissions. In 2023 we took the first steps to address this challenge, as discussed in last year's report.

In 2024, we gained further insight into our Scope 3 upstream emissions resulting from the goods and services that we buy. We achieved this by acquiring data from providers that specialize in calculating Scope 3 upstream emissions. Their data is not as accurate as desired considering it does not indicate the proportion of a vendor's emissions that Robeco is responsible for. Despite their wide range estimates, their data still enables us to report some initial figures.

We now estimate that our Scope 3 upstream emissions were in the range of 25,000 to 30,000 tonnes of CO2e in 2024. We have also been able to identify vendors that are responsible for around 42% of our Scope 3 upstream emissions and have developed an engagement plan to help us find out if and how we can influence their emissions that relate to Robeco. The first step of the engagement plan involves analyzing the companies' efforts to become net-zero by 2050.

We then rank them according to their emission-reduction ambitions. Next, we engage with these vendors to report on their progress as part of our annual strategic review of vendors and adjust our rankings based on their progress. In 2025 we expect to gain more understanding of our vendors' ambitions and plans to reach net-zero.

Carbon offsetting

While our main focus is on avoiding and reducing operational emissions and improving data quality, Robeco compensates for its residual carbon footprint by buying carbon credits. This enables us to offset our Scope 1 and Scope 2 emissions and the emissions resulting from our business travel, which are part of our Scope 3 upstream emissions. For the remaining Scope 3 emissions, we engage with our vendors and expect them to aim to achieve net-zero status by 2050.

We perform ongoing due diligence on the carbon credits we buy to ensure their integrity and quality.

→ *Read our net-zero roadmap*

Resource consumption and waste

Resource use and circularity are important topics for Robeco, so we seek to minimize the waste we produce and recycle what we do produce. Our service level agreements for catering and cleaning at our headquarters in Rotterdam include incentives for our providers to use sustainable solutions, and we encourage affiliated cleaning companies to use environmentally safe cleaning products. We continue to look for opportunities to further reduce our waste.

Table 22 | Robeco's resource consumption and waste generation

	Metric unit	Data quality[7]	2024	2023	2022	2021	2020	2019
Company vehicles								
Total	km	***	3,038,691	3,355,858	2,923,315	2,866,438	2,629,610	4,133,962
Fueled	ltr	**	52,357	65,716	83,069	74,800	105,422	159,255
Electric	kWh	***	521,697	515,464	358,639	226,230	178,125	157,102
Company facilities								
Offices	kWh	***	2,762,774	2,651,032	2,578,120	2,327,420	2,545,510	3,002,631
City heating[1]	GJ	*	328	492	634	571	397	410
Purchased goods and services								
Drinking water	m3	**	8,688	5,904	6,369	3,729	2,362	3,893
Paper consumption	kg	**	2,467	2,296	2,526	4,451	5,770	11,110
Data centers & SAAS[2]	kg CO_2	***	124,489	175,767	371,722	397,500	329,489	475,810
Fuel and energy related activities								
Work from home[3]	kWh	***	204,254	252,498	196,206	332,044	281,255	58,700
Waste generated in operations[4]	kg	**	71,604	72,549	60,221	49,188	50,926	73,009
Business travel								
Air	km	***	9,399,190	10,195,374	6,802,739	1,150,158	2,160,570	13,382,886
Public transport[5]	km	***	1,408,744	1,467,593	855,375	165,000	188,351	888,346
Hotel stays	days	***	4,266	6,592	4,834	1,528	29	1,160
Employee commuting[7]	km	***	4,220,689	3,470,943	2,418,960	1,039,047	1,455,782	3,403,937

Legend: kWh = kilo watt hour; km = kilometer; M3 = cubic meter; kg = kilogram; ltr = liter
1. City heating is only used in Zurich and New York.
2. The decrease in the usage of purchased goods and services in 2023 is caused by a change in the measuring methodology by the data centers. In 2024, the comparable data for previous years have been restated.
3. Work from home includes the energy consumption of laptops and external monitors, assuming an average of 2 days of working at home for 2024 (2023: 2.5 days).
4. Waste includes paper, cardboard and residual waste.
5. Public transport is mainly by train. The increase can mainly be attributed to travel to the United Kindom.
6. The increase in commuting kilometres is linked to the reduction in average days working from home.
7. Data quality specifies the reliability of the aggregated data which corresponds with the evidence based consumption related to the total reported consumption: >80% - ***, >60% - **, <60% - *.

Reducing waste

In 2024 we replaced paper-based single-use cups with a porcelain alternative in our Rotterdam office. We also provided all employees with a reusable travel cup, partly crafted from single-use paper cups. We expect to use around 700,000 fewer single-use cups every year as a result.

In an effort to further reduce waste, we limited the office supplies that are readily available in our Rotterdam office. If people need extra office materials they now have to go to a central service desk to get them. This has resulted in a significant reduction in the amount of supplies we use.

After nine years of use, in 2024 we replaced the printers in our Rotterdam and Zurich offices with more energy-efficient printers. We also halved the number of printers in our Rotterdam office. The old printers will be recycled or reused by Xerox. We decided to carry on using our corporate iPhones for another year as they are still in good condition.

Water usage

We aim to minimize our water usage, which we measure and monitor. At our Rotterdam office we flush the toilets using rainwater that is collected on the roof and stored in tanks.

Social aspects

Robeco deems its own workforce and social issues in our investments to be material topics. Below we explain Robeco's ambitions for its workforce, including our approaches towards diversity, equity & inclusion and employee representation. We then discuss how we integrate social issues in our investments.

Our workforce

We foster an environment in which our employees feel empowered to be their best selves and achieve the best possible results for our clients and company. It is important for us that our employees are able to find the right balance between their working and private lives, and we support them in achieving a harmonious balance. We have several policies in place to help us achieve this goal.

Our leave policy and processes provide clear guidelines on the various types of leave, ensuring our employees can take time off for personal, medical or family reasons. In addition to annual leave days, employees can take maternity, paternity, parental and sick leave as appropriate. We ensure information about our leave policy is readily accessible for all our employees on our HR platform. We adhere to all applicable labor laws and regulations to ensure that our employment terms are fair and ethical.

A carefully considered, balanced and sustainable remuneration policy is vital to attract, retain and motivate well-qualified employees. We ensure that all employees receive adequate compensation that is in line with industry standards, local market conditions and legal requirements, and perform yearly reviews of our compensation structure to ensure it remains competitive and in line with changing market trends and employee expectations.

→ *Read more in the Remuneration section*

To ensure we foster an inclusive, supportive and sustainable work environment we perform regular assessments of diversity, equity and inclusion, employee wellbeing, labor rights and employee engagement. Our HR team regularly assesses employee turnover figures and conducts exit interviews to understand areas where we can improve. We conduct an engagement survey to gather feedback on employee satisfaction, workplace conditions and areas for improvement. We also facilitate flexible working arrangements and provide professional development opportunities in the form of learning and development programs.

Our workforce in figures[93]

Table 23 | Number of employees, hires and turnover

	2024	2023	2022
Number of employees			
Headcount	1,057	1,049	1,052
FTE[94]	1,028	1,019	1,015
Hires (headcount)			
Total	114	136	165
Male	69	82	92
Female	45	54	73
Voluntary turnover			
Turnover Headcount	74	48	54
Male	49	22	27
Female	25	26	27
Turnover percentage	7.0%	4.6%	5.4%

Table 24 | Headcount by region

	Total	Male	Female
Total	**1,057**	**684**	**373**
Asia	101	42	59
Europe	943	631	312
United States	13	11	2
Permanent	**1,002**	**652**	**350**
Asia	99	42	57
Europe	890	599	291
United States	13	11	2
Temporary[95]	**55**	**32**	**23**
Asia	2	0	2
Europe	53	32	21
United States	0	0	0
Full-time	**906**	**615**	**291**
Asia	100	42	58
Europe	793	562	231
United States	13	11	2
Part-time	**151**	**69**	**82**
Asia	1	0	1
Europe	150	69	81
United States	0	0	0

93. All numbers in the figures in the 'Our workforce' section are reported in headcount as at the end of the reporting period (31 December 2024), unless otherwise specified.
94. See 'Notes to the consolidated income statement' section 4 for the average FTE.
95. Employees with fixed-term contracts, including those undertaking work on temporary projects and new employees on fixed-term contract of six to 12 months.

Our workforce includes not only our 1,002 permanent employees, but also workers that we employ temporarily, such as those on fixed-term contracts, contingent workers and interns. We worked with 114 contingent workers as at 31 December 2024 (2023: 149)[96]. Taking on contingent workers enables us to flexibly scale our workforce, usually to cover short-term absences or temporary increases in workload. The tasks they perform range from administrative to executive duties. We also offer paid internship opportunities to students who wish to gain experience in the asset management industry.

Diversity, equity and inclusion (DE&I)

We have a DE&I Board in place that collaborates with our colleagues around the world, formulates our DE&I strategy and oversees the coordination of the various DE&I initiatives taking place across Robeco. Our DE&I Board consists of 12 colleagues from different departments and regions and is chaired by our Chief Operations Officer. All our Employee Resource Groups (ERGs, which we discuss below) are represented on the DE&I Board.

Our ERGs provide our employees with the opportunity to share their perspectives on issues such as resources, support and education with each other. They also help us to advance our DE&I roadmap. The following four ERGs are in place:

- Gender Equality Alliance (GEA) aims to raise awareness of gender diversity, gender equality and (unconscious) biases to empower women across the company at every stage of their career.
- Empowering Diversity, Growth and Equity (EDGE) fosters a diverse, inclusive and equitable workplace for all cultures, backgrounds and ethnicities.
- PRISMA advocates for a work environment that respects, welcomes and supports straight and LGBTQ+ professionals, enabling them to meet their full potential and contribute to Robeco's goals.
- Ro-Next is an initiative by young professionals (aged 35 or under) for young professionals at Robeco that enables them to connect, share and learn from each other.

→ *Visit our webpage on Diversity, equity and inclusion*

DE&I roadmap

Our DE&I roadmap sets out our plan for fostering diversity, equity and inclusion within our organization based on clear objectives and actionable steps. We have designed the roadmap to evolve over time, with a clear progression from foundational steps toward longer-term initiatives making a sustained impact. In 2023, we focused on laying the groundwork for a more inclusive culture by establishing key policies and programs, such as developing our long-term DE&I goals and introducing a DE&I report that contained company-wide DE&I information. In 2024 our focus shifted to creating habits, ensuring that DE&I principles become ingrained in our daily operations and interactions. In 2025, we will aim for these efforts to become part of our day-to-day routine. By 2026, we intend to accelerate our ambitions to achieve our long-term DE&I goals, which we set out below.

We value the unique contributions our people make and believe that fostering this diversity enriches our culture and strengthens our decision-making. Transparency is key to our progress in DE&I, as it enables internal and external stakeholders to hold us accountable, just as we do the companies we invest in. Major focuses of our DE&I strategy are the advancement of women into senior positions and improving the representation and progression in our company of underrepresented minorities. We currently measure diversity in Robeco in several ways, including in terms of gender, age and nationality, and have set targets for gender diversity.

We are committed to creating an inclusive culture – what we call a 'culture of connection' – in which every employee feels welcome and empowered to be themselves. We believe this is not just a moral imperative but a business necessity. Research shows that diverse, inclusive companies tend to perform better, and our clients and regulators expect high standards of DE&I.

We place particular emphasis on non-discrimination, guaranteeing equal opportunities irrespective of gender, race, disability or other characteristics. We advocate for gender equality by guaranteeing equal pay for work of equal value and actively promoting awareness of the importance of diversity and inclusion.

DE&I AT ROBECO

At Robeco we recognize the value of diversification as a key driver of the success of our investment strategies, and the same applies to our workforce. We seek to foster a workplace in which all colleagues feel safe, included, valued and empowered to be their best selves, regardless of their gender, nationality, age, experience, ethnicity, race, religion, disability, sexual orientation, social background or family responsibilities.

96. Contingent workers are employees that are not directly employed by Robeco but self-employed people or agency workers.

Table 25 | DE&I roadmap targets for 2026

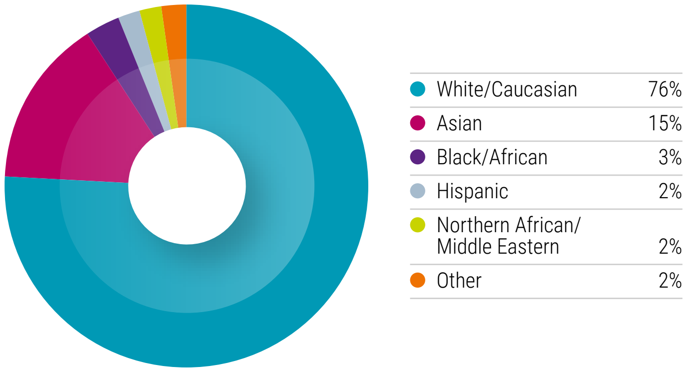
Organization policy and infrastructure	• Increase participation in ERGs and their activities • Improve inclusiveness of our policies
Build and sustain an inclusive culture	• DE&I-related training an integral part of our training programs and onboarding training • Improved DE&I score in employee engagement survey
Attract, promote and retain diverse talent	• DE&I strategy covers more diversity domains, with concrete goals and action plans to achieve them implemented
Communication	• Internal DE&I strategy and sustainability investing engagements fully aligned
Reporting and benchmarking	• DE&I metrics form part of our internal performance dialogues and external reporting • Quantitative progress toward the DE&I strategy goals included in our reporting

DE&I metrics and report

In 2024 we published our first report on Diversity, Equity & Inclusion at Robeco and shared it with our employees to ensure we are transparent about these matters. We will publish this report twice a year. It contains company-wide data on the gender, age and nationality breakdowns in our company and provides information on our hiring, promotion and retention practices.

In February 2024 we also conducted our first inclusion survey, a voluntary survey that helps us identify areas for improvement and measure our progress in terms of fostering a more inclusive workplace. Employees responded to the Inclusion Survey anonymously, and we worked with an external company to ensure confidentiality. The survey was completed by 746 employees (representing a 72% response rate). It provided us with an overview of our colleagues' cultural and LGBTQ+ backgrounds for the first time, showing that 3% of our colleagues around the world identify as LGBTQ+. We show the breakdown of cultural backgrounds among our respondents in the chart to the right. This information will help guide our efforts to create a more inclusive and supportive environment.

Figure 21 | Employees' cultural background



GENDER DIVERSITY TARGETS

Our long-term ambition is to achieve a 50-50 gender balance at Robeco. We have established specific targets for gender diversity at different levels of our company, aiming for:

- Executive Committee: 30% gender diversity
- Senior professionals: 30% gender diversity
- Professional levels: 50% gender diversity

To improve the level of gender diversity at the senior professionals and ExCo levels, we are continuing the process of transforming our succession and continuity management processes. Every year in our performance cycle, HR monitors the gender pay gap and the gender distribution of promotions. This enables HR and management to take steps when needed.

In conjunction with the long-term ambitions we explain above, we have set gender diversity targets for 2025 based on Dutch corporate law, which has applied to us since 2023. We explain these 2025 targets, including our progress, in the Corporate governance section.

Figure 22 | Gender distribution per employment category

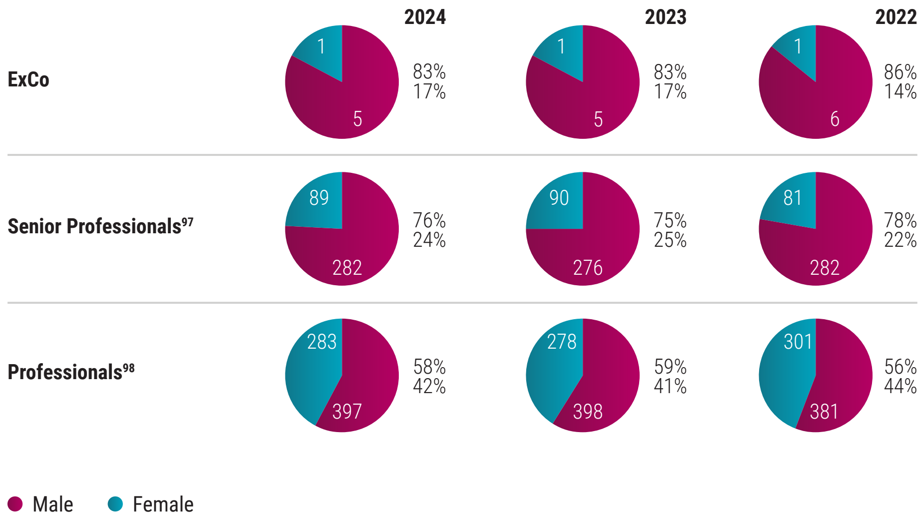


Figure 23 | Gender distribution among total employees, workers on part-time contracts and those with temporary contracts

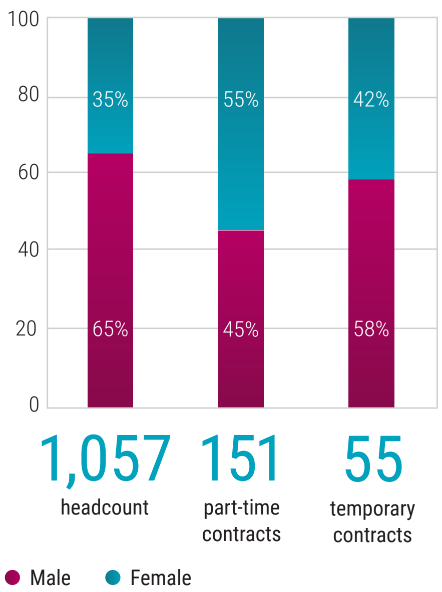


Figure 24 | Gender distribution among total employees by reporting year

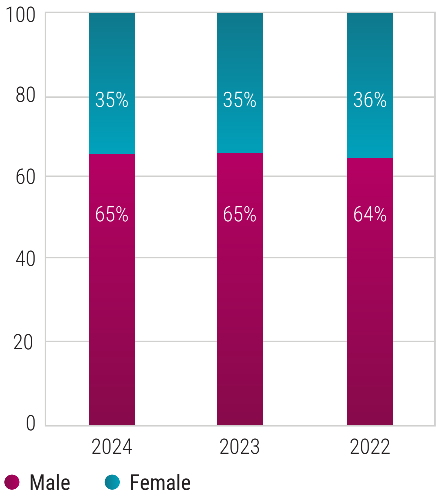
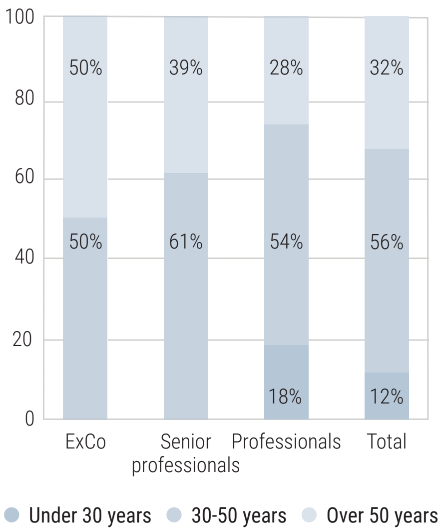


Figure 25 | Age distribution per employment category



DE&I actions

Together with the DE&I Board and HR, we are developing a recruitment policy to ensure our recruitment process is fair, consistent and transparent. The aim is to have this policy in place in the first half of 2025. We have introduced DE&I KPIs aiming to reduce the gender pay gap[99] and achieve a balance in the gender distribution of promotions. In so doing, we want to ensure that qualified female talent has equitable access to career progression. We are also developing a strategy to improve our retention of females, launching DE&I training initiatives and revitalizing our mentorship program to support all our employees' career growth.

In 2024 we launched an internal DE&I academy called 'DEI Learnings', which provides a curriculum of DE&I training. We also organized several Connect & Learn sessions (we explain Connect & Learn in the Learning and development section below) on DE&I-related topics. We communicated our DE&I strategy alongside our leadership program because we believe that it is vital to create an environment of trust and support where colleagues feel valued and included and can thrive. Managers are responsible for fostering this kind of environment and leading by example.

Social safeguards

We have measures in place to help our employees' in the event of sickness, employment injury or acquired disability, parental leave or retirement. We have sick leave, paternity and maternity leave processes in place in all countries in which we operate, in line with local laws and regulations. We provide employment injury and acquired disability benefit in all countries except Spain, where we provide our employees with a monthly benefits allowance that can be used for this purpose. We offer a comprehensive pension plan as part of our retirement benefits package. Retirement benefit is not available in our Dubai or Spain offices. Our employees in Spain can use their benefit allowance to pay into a pension scheme, while in Dubai it is not common practice for companies to pay into employees' pension plans.

Upskilling our employees: learning and development

Employee development is an important part of our strategy. We encourage all employees to fully embrace the opportunities for self-development we make available to them within the course of their work and/or through learning and development programs and initiatives. We encourage managers and employees to discuss what the focus of their development should be and the best way to put this into practice.

To aid employees in their development, and to accelerate the execution of our corporate

97. Senior professionals are defined as employees in Robeco's salary scales 8-10.
98. Professionals are defined as employees in Robeco's salary scales 1-7.
99. The gender pay gap refers to the average difference of earnings between men and women, which we measure with the women to men remuneration percentages provided in the Remuneration section.

strategy throughout our entire organization, we continued to run our Accelerate program in 2024. After 175 managers underwent training in core people leadership skills in 2023, this program was rolled out for the entire organization in 2024. This involved 997 employees taking part in a one-day Accelerate training course focusing on personal and people leadership skills. In this context, personal leadership refers to taking ownership of responsibilities and creating positive impacts on the performance and behavior of other colleagues. People leadership refers to the ability to guiding a team to achieve shared goals, through task management as well as by inspiring and motivating team members.

In 2025 the key focus of the Accelerate program will be on embedding leadership priorities and key leadership concepts into our daily working lives. This means that:

- All new employees will be invited to participate in the Accelerate training program, with live and online sessions taking place twice a year.
- All employees will receive an invitation to complete a team scan, helping managers and teams identify necessary actions for further growth. New training materials are in development and will be made available during the year.

ACCELERATE

'Accelerate – Our leadership journey together' is the name of our leadership program. Its aim is to provide everyone in our company with important personal and people leadership skills. The training focuses on four topics:

- Secure base leadership: how to combine caring and daring
- Growth mind shift: how to focus on possibilities and learning
- Courageous conversations: how to discuss important and potentially sensitive topics in a candid and respectful manner
- Feed forward: how to give and receive compliments and make suggestions for improvement to strengthen future performance.

To help managers improve the performance of their teams, we launched a People Leadership Learning portal on our intranet with a selection of learning materials, and we are currently developing a Personal Leadership Learning portal.

All our employees furthermore have a variety of learning and development opportunities available to them. These include in-person training and lectures, online courses and a mentoring program. Focusing on personal and professional development, the opportunities we provide help our employees acquire valuable skills and knowledge.

Examples of in-person training include our Young Professional Journey, Executive Performance Training, Every Day Impact and Presentation Skill Training courses. We also run a "Connect & Learn" program, through which lecturers and researchers share their knowledge on topics that are relevant to Robeco. In 2024 we held five online and in-person training sessions, with a total of 846 enrolments.

An example of online courses available to our employees is those that form part of our Sustainable Investing Academy, our internal sustainability training program. In 2024, 614 employees completed one or more of our Sustainable Investing Academy training courses.

Robeco's Mentor Program helps our employees to learn from each other and benefit from each other's experience. We also make internal and external coaching available to our employees to help them develop their skills, and all Robeco employees have regular performance management and career development reviews with their manager.

Table 26 | Average number of training hours by gender

	Male	Female
Average number of training hours in 2024	15	16

Employee engagement

We seek employee engagement by fostering collaboration, promoting open communication and encouraging feedback on the company's performance. As part of this, we conduct an annual online survey that measures overall engagement and satisfaction among our employees. The response rate to this survey was 89% in 2024 (2023: 84%). Our employee net promoter score, a measure of our staff's satisfaction with Robeco, was 7.6 in 2024 (2023: 7.8).

Table 27 | Employee engagement survey results

	2024	2023	2022
Net promoter score	7.6	7.8	7.7
Number of respondents	938	837	901
Percentage of surveys filled in	89%	84%	89%

From 2025, we plan to conduct two employee engagement surveys every year, providing us with more frequent insights into employee engagement and improving our awareness of any emerging trends or concerns.

We encourage our managers to discuss the survey's results with their teams and draw up action plans to address areas for improvement. Some managers discuss their action plans with the relevant member of our ExCo, which has operational responsibility for employee engagement. The engagement survey results are also discussed by the ExCo, and where relevant translated into strategic action plans.

Employee representation and workplace integrity

Employee representation at Robeco involves giving our employees a voice in decision-making processes. This can be through our engagement survey, Works Councils or designated representatives. Robeco has Works Councils in the Netherlands and Germany. In other locations, we encourage employees to share their opinions through different channels, such as their country manager, members of our HR department and our engagement survey.

Departments within HR, such as Rewards, Learning & Development and HR Operations, regularly meet with country managers to understand the needs of employees in their offices. HR Business Partners are the first port of call for managers who wish to share requests or concerns in relation to working conditions.

Works Councils

Through our Works Councils, our employees can take part in meaningful discussions with the ExCo and contribute to our decision-making processes. Robeco has a well-established Works Council in the Netherlands representing all employees in our Rotterdam office. In 2024 we established a Works Council in Germany to improve communication, ensure compliance with local labor laws and foster a collaborative environment that addresses employee concerns and promotes their interests effectively. The Works Councils represent all 752 employees in the Netherlands and all 19 employees in Germany.

Advice and consent

The Works Councils in the Netherlands and Germany provide advice to the company and its employees on matters that affect employees in their respective countries, such as:

- Major investments
- Reorganizations
- Takeovers, mergers and other long-term forms of cooperation such as partnerships
- Changes to employment terms and conditions
- Introduction of, or changes to, important technology.

The ExCo needs the consent of the Works Councils in the Netherlands and Germany before it can proceed with actions that affect employees in these countries, such as changes to pension insurance, remuneration frameworks, annual salary negotiations and guidelines for working hours and vacations. The Works Councils are able to bring topics to the attention of the ExCo and approach them with proposals. While they participate in discussions and provide advice, the Works Councils do not make decisions.

Composition and meetings

The Works Council in the Netherlands has 15 members from different departments, the Works Council in Germany has one member. There is an election system in place, through which new members are appointed every two years for a four-year term. The elections for the Works Council in the Netherlands are staggered: 50% of the seats are up for election every two years. It has four formal meetings per year with members of the ExCo. The head of Human Resources is present at all four meetings, and Robeco's CEO attends two. The Works Council in the Netherlands also meets at least once a year with a member of the Supervisory Board. Works Council members meet informally to discuss a range of issues every week. The Works Council member in Germany meets regularly with the country manager and has online meetings with the HR team.

Key topics in 2024

In 2024, the Works Council in the Netherlands was involved in discussions about rewards, our pension scheme and restructuring. The company worked on a project called Reward Journey, which focused on simplifying our pay structure in the Netherlands. The Works Council in the Netherlands gave its consent to the new set-up, and had discussions about introducing salary ranges. The Works Council in the Netherlands also approved our plan to move to a new pension system in 2024 and provided advice on restructuring efforts within several departments.

Our newly established Works Council in Germany was involved in discussions about benefit changes affecting our employees in that country.

Collective bargaining agreements

While Robeco employees in the Netherlands and Germany are represented by Works Councils, collective bargaining agreements apply to our 29 employees in France, Spain and Italy, who account for 2.7% of our total headcount. The agreements cover various aspects of the employment relationship, such as compensation, benefits and working hours. Collective bargaining agreements play an important role in fostering a cooperative and harmonious relationship between the company and its employees by providing a framework for resolving disputes, outlining grievance procedures and ensuring that both parties adhere to agreed terms. For other countries, we ensure working conditions and terms of employment are aligned with market practices.

Social issues

Our approach to social issues in our investments is based on the premise that human rights are universal and should be applied equally to everyone, everywhere, at all times. Companies have a responsibility to respect human rights within their operations and supply chains, and this responsibility extends to investors in those companies. Robeco takes its responsibility to respect human rights seriously and we believe we can play a role in advancing human rights by engaging with companies we invest in on social issues. We have signed the UN Global Compact and endorse the OECD Guidelines for Multinational Enterprises, which underpin our approach to considering social issues in our investment and active ownership processes.

Robeco engages with the companies we invest in, but not directly with workers in these companies' value chains. We have a Complaints and Grievance Handling Policy in place, which sets out the process of how we handle complaints from our clients and any grievances of stakeholders affected by our investments. Anyone can contact Robeco at grievances@robeco.nl to make their grievance known to us.

Our commitment and actions

Our work on social issues is based on internationally accepted frameworks that translate the Universal Declaration of Human Rights, UN Global Compact and OECD Guidelines for Multinational Enterprises into guidelines that are relevant for the companies we invest in. These are the International Labour Organization's (ILO) international labor standards and the UN Guiding Principles on Business and Human Rights.

We have policies and processes in place to determine how we take social issues into account in our investment decisions. Our policies cover our investment funds, whose investment guidelines we determine. Clients investing with us through mandates can decide their own policy regarding social issues. We review our policies and procedures on social issues at least once a year, considering key findings from engagements and feedback from internal and external stakeholders. Robeco has an internal social issues stakeholder group that consists of representatives of various departments. It provides feedback on our approach to social issues and can suggest new ideas and issues that it thinks we should take into account.

We take action on social issues with the companies we invest in in the following ways:

- We exclude from our investment universe companies that, through their products and services, create severe negative social impacts.
- We engage with companies that cause a negative social impact, either through their own operations or in their value chain, by being in breach of the social guidelines of the UN Global Compact or the OECD Guidelines. This can include issues linked to human rights and forced and child labor. If the companies do not act to remedy the problem, we exclude them from our investment universe.
- We engage with the firms we invest in on their implementation of the UN Guiding Principles on Business and Human Rights.
- We integrate financially material social issues in our investment decision-making process. For example, in our quantitative investment models we take into account companies' human capital management. In our fundamental analysis of companies we analyze the most relevant social issues for firms in their respective sectors.
- We provide our clients with investment products and solutions linked to social issues, including our gender equality equity strategy, fashion engagement equity strategy and healthy living equity strategy.

→ *Learn more about our commitment to social issues*

Our social issues framework

In 2022 we set up a Human Rights Task Force to contribute to developing our approach to human rights. In 2023 we started developing a draft social framework, and in 2024 we continued developing this framework. Given the breadth of the framework, which now focuses on a broad range of social issues rather than just human rights, we have renamed the task force developing it the Social Issues Task Force. We expect to launch our social issues framework in the first half of 2025.

The starting point of our social issues framework is an assessment of the importance of a range of social issues to various industries, in line with the UN Guiding Principles on Business and Human Rights. Using input from external data providers and in-house research we highlight the major social risks that the companies in our portfolios are exposed to in their own operations and in their supply chains. We assess both the likelihood of each risk becoming an issue and how severe the impact is likely to be for each industry, the combination of which determines the total exposure to social risks. Almost all of the 22 industries we cover have high exposure to at least one of the social issues we consider. We show the industries with high exposures to five social risks in the table below.

Table 28 | Industries with high exposure to five social risks

	Respect human rights	Provide and promote decent work	Labor rights and working conditions	Equality, diversity and inclusion	Indigenous people's rights	Environmental stewardship	Expression and privacy	Right to health and safety	Social supply chain management
Metals and mining	High	Medium	High	High	High	High	Low	Medium	Medium
Paper and forest products	Low	Medium	High	Medium	High	High	Low	High	High
Software and services	High	High	High	High	Low	Low	High	Medium	Medium
Technology, hardware and equipment	High	High	High	Medium	Low	Medium	Low	High	High

Source: Robeco

Based on our analysis of industries we are developing a Social Traffic Light scorecard that provides a snapshot of an individual company's exposure to, and management of, social issues. Our assessment is based on a double materiality approach in that it aims to capture both the impact a company has on society in terms of social issues and the financial implications of how it manages social issues. We consider the following topics.

1. Social Minimum Standards: we assess whether the company is severely breaching the UN Guiding Principles on Business and Human Rights.
2. Respect Human Rights: we assess the company's human rights, modern slavery and supply chain policies, human rights due diligence and handling and remediation of grievances.
3. Decent Work: we assess whether the company complies with ILO labor standards; its diversity, equity and inclusion policies; and how it manages its human capital.
4. We also consider sector-specific indicators such as social supply chain management, data privacy and security, and community relations if we consider them to be relevant for the sector in question.

We have not set any quantitative limits for exposure to social issues in our investment portfolios. Our funds exclude companies that are in severe breach of global standards and that do not improve their behaviors as a result of our engagements with them.

DEVELOPING OUR SOCIAL TRAFFIC LIGHT

Using information from third-party data providers we are developing a Social Traffic Light scorecard. The four social issues topics have several indicators, and we assign each indicator a score. We combine the total scores for all the indicators for each company to determine its Social Traffic Light. This provides an indication of a company's overall alignment with generally accepted social frameworks.

The Social Traffic Light for each company is one of the following four colors.

Red traffic light: Misaligned
The company is misaligned with global standards on human rights and working conditions due to a lack of social policies or weak implementation of such policies, or it is involved in severe controversies on social issues.

Orange traffic light: Partially aligned
It has satisfactory social policies but there are weaknesses in its overall management of social issues. It is not involved in severe social controversies.

Light green traffic light: Aligning
The company is mostly aligned with global standards on human rights and working conditions with good policies and average monitoring. However, there is limited evidence of it conducting due diligence on human rights or the company may show some weaknesses in its overall labor management. The company has not been involved in severe social controversies on social issues.

Dark green traffic light: Aligned
The company is aligned with global standards on human rights, social issues and working conditions. It has good policies (including grievance and remediation) in place that are well implemented and monitored, performs due diligence on human rights issues and is not involved in any controversies on social issues.

Our preliminary assessment shows that very few companies in our investment universe receive a dark green traffic light. The vast majority is light green or orange. A limited number of companies receive a red light.

Social issues and stewardship

Protecting human rights is an important issue in our stewardship activities, and we incorporate this topic in our three-year engagements and voting activities. While we did not instigate any new engagement themes focusing on social issues in 2024, we continued our dialogues with companies on the topics of:

- Diversity and inclusion;
- The fashion transition;
- Human rights due diligence in conflict-affected and high-risk areas;
- The just transition in emerging markets;
- Labor practices in a post-covid-19 world;
- Modern slavery in global supply chains.

Below we discuss our fashion transition and the just transition in emerging markets engagement themes.

Fashion transition engagement

We launched our fashion transition engagement theme and a related fashion transition equities strategy in October 2023. Both address key social and environmental concerns linked to the fashion and cosmetics industries. From dialogues with fragrance producers to in-depth engagements with clothing brands and third-party sustainability certifiers, through the engagement theme we urge companies involved in fashion to prepare for the future by shifting toward circular operational structures and minimizing their negative social and environmental impacts.

Our dialogues in the first year of the program had a particular focus on decent work. To ensure companies provide decent work to the people they employ both directly and indirectly, they must have in place strong social policies covering core human rights and International Labor Organization principles. They must also be able to show that these policies are well implemented through due diligence, monitoring and grievance systems. We expect companies to work toward strict living wage standards and pay parity across their supply chains; they could do this by adopting responsible purchasing practices, assessing wage levels and moving toward living wage accreditation.

→ *Learn more about the fashion engagement program in our Q1 Active Ownership Report*

The just transition in emerging markets

We launched our Just Transition in Emerging Markets engagement theme in2023, focusing on six companies from the mining and energy industries operating in Africa and Asia. This theme addresses the social, economic and equality-linked challenges arising from the shift to a sustainable, low-carbon economy.

Our engagement program sets clear objectives: companies must commit to a just transition, engage with stakeholders, publish a just transition plan, manage any associated risks, and disclose their progress. These objectives align with key frameworks such as the UN Guiding Principles on Business and Human Rights and the Task Force on Climate-related Financial Disclosures.

In the theme's first year, companies showed interest in learning about the just transition, with many issuing explicit just transition commitments. While translating these commitments into concrete actions remains a challenge, reporting and stakeholder engagement processes are evolving. This is leading to opportunities for companies to overcome the challenges they face when incorporating just transition considerations into existing frameworks.

Moving forward, we expect companies to adopt a structured, time-bound approach to ensure there is meaningful progress toward a just transition. Our engagement program will expand to include companies in the financials sector in 2025, promoting sustainable practices and ensuring that financial institutions play a pivotal role in supporting equitable transitions around the world.

→ *Learn more about the just transition in emerging markets in our Q4 Active Ownership Report*

Social voting policy

Social topics mostly find their way onto Annual General Meeting (AGM) agendas via shareholder proposals. As not all AGMs include such proposals, in 2022 Robeco developed another way to integrate human rights and social considerations in its voting approach: we started flagging human rights and social concerns with companies that are exposed to such issues and that do not provide any evidence of having adequate human rights due diligence processes in place – a key requirement of the UN Guiding Principles on Business and Human Rights. In 2024, we continued to vote against the sustainability committee chair or the financial statements and audit reports at companies involved in severe social issues. Ahead of ten companies' AGMs we sent letters to inform them of our intention to vote against them due to, for example, severe issues with labor standards, and give them the opportunity to provide us with additional information. We will evaluate the success of our approach and consider how we can enhance it over time.

→ *Learn more about Voting to promote the S in ESG*

Enhanced engagement and exclusions

Our enhanced engagement program focuses on companies displaying controversial behaviors. The primary objective of our enhanced engagements is to address behaviors that fail to meet internationally accepted codes of conduct for corporate governance, social responsibility, the environment and transparency. If an enhanced engagement is unsuccessful, we may exclude the company in question from Robeco's investment universe.

→ *Learn more about voting, engagement and exclusion in the Stewardship section*

Country screenings

As part of our Country Sustainability Ranking, which we conduct twice a year, we screen countries to help us identify those with significant social problems. We do not engage with countries as part of this process, choosing instead to exclude any that do not meet our required standards. As part of this process, we review and/or use data from:

- The World Bank: World Governance Index on Political Stability and Absence of Violence/Terrorism.
- Freedom House: Freedom in the World index of political rights and civil liberties.
- Fund for Peace: Fragile States Index international sanctions.
- International sanctions.

If a country fails to meet pre-defined thresholds for at least three of these four criteria, we exclude it from our investment universe.

Collaboration

We work with other companies and institutions to further the causes of responsible investment and social issues. For example:

- Robeco is a member of PRI's Human Rights Stewardship Initiative's Advisory Council, Advance. This initiative aims to address social challenges through collaborative engagements.
- We are also part of the Advisory Council of the Investor Alliance for Human Rights, a platform for collective action on responsible investment that is grounded in respect for people's fundamental.

CLOSED ENGAGEMENT THEME: LABOR PRACTICES IN A POST-COVID-19 WORLD

While many people anticipated that consumer preferences would change during and after the pandemic, few expected people's expectations about the nature of work and working conditions to shift as well. As the economy started to recover, and as the cost of living started to rise, it became clear that many workers were no longer willing to accept jobs with low pay, bad working conditions, high risks to their health and few employee benefits. This resulted in the so-called 'great resignation', with many people voluntarily leaving their jobs, especially in sectors in which there is considerable person-to-person contact. This highlights the financial materiality of labor standards for companies that we engage with in in our 'Labor practices in a post-Covid-19 world' theme, which are involved in industries such as food retail, online food delivery and hotels.

These engagements, which began in 2021 and ended in 2024, focused on the systemic labor challenges, including labor shortages, rising inflation and an uncertain regulatory backdrop, faced by some of the industries that were most impacted throughout the pandemic. Many firms recognized the importance of overcoming the labor challenges that they were facing. The companies in our engagement group made significant strides in terms of health and safety, acknowledging the right of freedom of association, and human capital development. Some of the best practices that emerged during our engagements included designing individualized employee career paths, reporting on internal promotion rates, conducting inaugural pay equity assessments and exploring alternative ways to assess diversity metrics, such as by looking at educational backgrounds.

All of the online food delivery companies we engaged with significantly enhanced their approach to courier road safety. Improvements included the revision of delivery algorithms and incentive structures to prioritize the use of less risky routes and allowing more time for deliveries. Some companies linked lower accident rates to executive remuneration, leading to a significant drop in accident rates. However, there was limited progress in terms of improving wages and employee benefits in nearly all our engagements. This reflects the nature of many low-cost service sector companies' business models, which are characterized by thin profit margins and the need to minimize their biggest outgoings: labor costs.

Governance

In this section of our sustainability statements we explain in detail our approach towards the material topics business conduct (including compliance) and ESG data quality. Both are material from the perspective of our own operations and ensure that we can operate with integrity.

Business conduct and compliance

All employees[100] at Robeco are expected to behave appropriately at all times. In this context, 'appropriate behavior' means acting with integrity, in line with our core values, in the interest of our clients and other stakeholders and in compliance with applicable laws and regulations.

To help its employees act appropriately, Robeco has put in place a global policy framework that is available on the company intranet. We write new compliance policies in close collaboration with various internal stakeholders. Good implementation of our policies is supported by mandatory online courses and other forms of training and communication.

A violation of a law or regulation is considered a compliance incident. In 2024, three compliance incidents were recorded, none of which were material. No penalties or fines were imposed as a result of these violations.

Code of conduct

When we refer to appropriate behavior we do not just mean abiding by the law. We rolled out Robeco's updated code of conduct at the beginning of 2024. Our code of conduct sets out four core principles that help us maintain a culture of honesty, integrity and accountability that is based on trust and confidence. These principles are structured around the different stakeholders that are likely to experience the impact of our conduct in practice, and are as follows:

1. We treat our clients and business partners fairly.
2. We act in the interests of Robeco.
3. We treat each other with respect.
4. We take our responsibilities as a sustainable investor and as an organization seriously.

→ *Read Robeco's code of conduct*
→ *Read more about our core values*

The principles are based on applicable laws and regulations that provide guidance on how to deal with conflicts of interest, avoid market abuse and provide transparent communication about products. However, the principles go a step further by also taking into account diversity, equity and inclusion; and our secure base, results and growth leadership priorities (which we describe in the Corporate Governance section).

Treating each other with respect is particularly important as we prioritize creating a safe environment in which all employees feel valued, respected and able to communicate openly. We do not accept any form of misconduct or unacceptable behavior, such as harassment of any kind, intimidation, aggression, violence, bullying or discrimination. We consider any such behavior to be in violation of our code of conduct and follow up on it accordingly.

We require new employees to confirm that they have read and understood the code, that they will act with integrity and that they will apply the standards expected of them. All our employees must reconfirm that they will do so every year. As part of our onboarding program, new employees in our offices around the world receive training on issues such as conflicts of interest, data privacy, anti-money laundering, countering the financing of terrorism and sanctions, and fighting market abuse through e-learning courses tailored to meet Robeco's specific requirements.

We also require employees in managerial or risk-taking roles, or who are in direct contact with our clients, to take an oath swearing they will perform their duties conscientiously and with integrity, and that they will always act in the interests of their clients.

Violations of the code of conduct

We require all our employees to adhere to our code of conduct. Any violation of the code of conduct is considered an 'integrity incident' and may lead to sanctions, depending on the severity of the violation. Our overall approach to incidents is summarized in our Incident Management Framework. Whenever employees become aware of any suspected or actual violations of the code of conduct, they are encouraged to speak

100. 'All employees' refers to all current and contingent employees, whether they work for us full-time or part-time, on permanent or temporary contracts, on an internship or on secondment. In exceptional cases, even former employees can (contractually, as part of exit mechanisms) be bound to the code.

up and report them without delay. This is because we believe such a violation may jeopardize Robeco's goals and performance and keep us from being the organization we want to be for our employees, clients, business partners and all our other stakeholders.

Employees can formally report a suspected or actual violation of our code of conduct through a number of reporting channels:

1. All integrity incidents can be reported to the Compliance department.
2. All integrity incidents can be reported to the ORIX hotline[101].
3. All integrity incidents involving unacceptable behavior can be reported to Robeco's external confidential counselor.
4. Depending on the circumstances, an employee may report an integrity incident directly to a competent external authority via applicable whistleblowing procedures.

Employees can choose which channel they wish to use. Robeco has put policies in place that ensure that employees who report a (suspected) issue are protected and that their position in the company will not be jeopardized. Robeco does not permit any form of direct or indirect retaliation towards an employee who reports an issue in good faith, as set out in Robeco's Integrity Incidents & Whistleblowing Procedure. Our employees can find further details on how to report via the various channels in this procedure and in our Incident Management Policy.

Table 29 | Code of conduct reports made in 2024

Number of complaints by people in own workforce (integrity incidents)	3
Number of incidents of discrimination	0
Amount of fines, penalties and compensation for damages as a result of incidents of discrimination, including harassment	EUR 0

Speaking up

Employees concerned about poor conduct are encouraged to reach out for help or advice. In addition to their manager, they can approach the responsible HR person, our external confidential counselor or a member of our Compliance department.

They can also speak to one of the Internal Confidential Advisors, a newly created role that represents an additional option for employees who are seeking guidance and support from colleagues who understand our company's culture. Internal Confidential Advisors have the advantage of knowing how our company works, and therefore have a deeper understanding of the context in which concerns may arise. They aim to make it easier for those who may be hesitant to reach out and initiate difficult conversations to do so and help them take further steps, if they wish.

Eight Robeco employees were selected to be Internal Confidential Advisors in 2024 and were provided with training to enable them to perform this role. They cover a broad mix of cultural backgrounds, ages and nationalities to ensure that employees can find someone they feel comfortable talking to. The counselors operate under strict confidentiality guidelines, and cannot be compelled to relay any information anywhere else in our organization, including to the ExCo or supervisory board. By appointing these Internal Confidential Advisors, we have reinforced our commitment to fostering a safe and open workplace culture, where everyone feels heard, valued and supported.

We evaluate the effectiveness of our internal reporting channels from time to time. Even channels that do not report on details, such as Internal Confidential Advisors, can uncover trends for further analysis. Meanwhile, the annual mandatory confirmation of our Code of Conduct, which includes information on the reporting channels available to our employees, ensures colleagues are aware of the options available to them.

Conflicts of interest

Preventing and controlling conflicts of interest is important in ensuring that the interests of our clients and the financial markets and Robeco's integrity and reputation are protected. Robeco's Conflicts of Interest Policy takes into account potential conflicts of interest, including conflicts linked to sustainability-related aspects of our business and operations, which may, for instance, involve risks of greenwashing, mis-selling or misrepresentation of our products and services.

In 2024, we carried out our annual Conflicts of Interest analysis. The annual Conflicts of Interest analysis consists of two main steps: first, distributing the conflicts of interest questionnaire to all staff members; and second, verifying that any identified potential conflicts of interest are still being managed effectively. If necessary, additional control measures are implemented to address any new issues. Based on the findings of the Conflicts of Interest analysis and reports in the Conflicts of Interest register, we will review and update our Conflicts of Interest Policy in 2025.

→ *Read our Conflicts of Interest Policy*

101. A reporting tool that our parent company, ORIX, set up in 2022 for its entire group.

Prevention of corruption and fraud

Robeco is committed to maintaining the highest possible ethical standards of conduct and to avoiding all forms of corruption, internal fraud and inappropriate inducements, including the semblance of such behavior. To this end, we introduced an updated policy on anti-bribery and anti-(internal) fraud in 2024.

This new policy, which applies to our offices around the world, sets out clear rules with regard to how we expect employees to act in order to prevent corruption, bribery and internal fraud. It discusses what to take into consideration when accepting or providing gifts, entertainment or other benefits and how to properly account for them. This is likely to be particularly pertinent for sales staff, who are in regular contact with clients (and possibly also government officials), and staff in close contact with suppliers, including brokers – mainly those in our Vendor Management and Investments teams. We have adjusted the thresholds for reporting and approval of gifts and entertainment, and we will introduce a new, easier-to-use internal reporting tool in 2025. The policy also sets out a number of red flags to aid in the detection of internal fraud.

We communicated the launch of the policy on the intranet and via a separate message to senior managers. The launch also included a mandatory e-learning course for all employees. Going forward, this course will be mandatory for all onboarding staff. Other measures to help detect and prevent corruption, bribery and internal fraud in place at Robeco include screening new joiners, supervision over, and monitoring of, expense declarations, and risk-based monitoring of technical and security data.

A breach of the policy is considered an integrity incident, in accordance with our Incident Management Framework (see Violations of the code of conduct). Our Compliance department reports quarterly on the occurrence and handling of integrity incidents (including cases of corruption, bribery and internal fraud) to the Executive Committee and the Supervisory Board, and on an ad hoc basis where appropriate. In 2024, no instances of corruption or bribery were identified, and there were no convictions or fines for violations of anti-corruption or anti-bribery laws. We periodically assess the effectiveness of how we manage bribery, corruption and internal fraud risks through the annual Systematic Integrity Risk Analysis (SIRA).

Corporate sustainability commitments

Robeco appreciates values that promote harmony within society and aims to conduct its business in a way that supports environmental, social and governance objectives and expectations.

Robeco has committed to adhere to several independent and broadly accepted corporate sustainability principles and best practices[102], in what we call our corporate sustainability commitments. We embed these principles in our investment processes, the way we conduct our business (including a commitment to respect human rights in procurement) and in our policy on sustainability integration[103]. Our commitments stipulate that we must conduct due diligence and apply the precautionary principle[104] to prevent and mitigate potential negative impacts of climate change through our net-zero roadmap.

→ *Read Robeco's policy on Sustainability integration*

The ExCo ensures that Robeco has appropriate policies and procedures in place to handle complaints and grievances in compliance with relevant standards and legislation.

Robeco's Complaints and Grievance Handling Policy sets out a process for handling complaints and grievances received from clients or other external stakeholders. Our grievance mechanism facilitates the submission of external statements of dissatisfaction, including allegations and perceived or actual issues, related to Robeco's activities. All grievances are treated confidentially and those making the complaint can remain anonymous through representation by a third party.

If there is a grievance related to how we integrate sustainability in our investments, our Complaint & Grievance Handling Officer collaborates closely with our Sustainability Investing Center of Expertise. Together, they investigate and assess grievances completely, diligently and impartially and decide on any follow-up actions that may be needed.

We have set up a remediation of adverse impact procedure based on the guidance of the United Nations Guiding Principles on Business and Human Rights and other independent codes of conduct. Depending on the level of adverse impact, Robeco implements necessary resolutions.

We apply our stewardship policy when seeking to mitigate any negative impacts of the companies we invest in through engagement and voting, and our exclusion policy when seeking to end any contribution to negative impacts by exclusion or divestment.

Critical concerns identified through grievance mechanisms or other channels are reported to the Enterprise Risk Management Committee in quarterly reports by our Risk Management and Compliance functions. Where deemed appropriate, they are also reported on an ad-hoc basis to our Controversial Behavior Committee so it can make decisions about investment eligibility and to the Sustainability and Impact Strategy Committee (SISC) and/or the ExCo for information purposes.

We only received one customer complaint in 2024, and it was resolved. We also received two grievances, both from Amnesty International. Both were resolved. We provide details of one of these grievances below. The other resulted in a meeting with Amnesty in July, at which it shared its research and concerns about US petrochemical companies operating around the coast of Texas. We informed Amnesty that we would address the issue in our engagements with these companies.

→ *Read Robeco's Complaints and Grievance Handling Policy*

102. The most important codes are the International Corporate Governance Network (ICGN) statement on Global Governance Principles, the United Nations Global Compact, the United Nations Sustainable Development Goals, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and Responsible Business Conduct for Institutional Investors.
103. The policy is updated annually, approved by the SISC and published on Robeco's website.
104. As set out in Principle 15 of the UN Rio Declaration on the Environment and Development.

DIALOGUE WITH AMNESTY INTERNATIONAL

In April 2024, we responded to a letter from Amnesty International that raised concerns on behalf of the communities that were affected by an incident caused by Union Carbide in Bhopal, India in 1984. Dow acquired Union Carbide 16 years after the incident. We had a meeting with Amnesty in July 2024, during which it shared its view that Dow should provide remediation to the affected communities. We discussed the grievance in our engagement call with Dow. As the incident happened 40 years ago and the matter is now being handled in a court case, we told Amnesty that we did not believe our engagement with Dow would be likely to have much influence on the matter or the outcome of the court case.

Political engagement

In order to influence and support the ongoing development of regulations within the asset management industry, Robeco regularly engages in constructive dialogue with public bodies responsible for the development of regulations. In principle, Robeco makes its voice heard through sector organizations such as the Dutch Fund and Asset Management Association (DUFAS) and the European Fund and Asset Management Association (EFAMA). Our Legal Affairs department is responsible for monitoring the regulatory environment in which Robeco operates. Its remit includes overseeing Robeco's participation in industry bodies and engaging with policymakers and regulatory bodies regarding regulatory developments. The topics we generally focus on include sustainable finance, market infrastructure regulation, investor protection, preventing and combating money laundering and the financing of terrorism, and other relevant developments in financial supervision legislation.

Robeco does not provide financial or in-kind contributions to individual politicians, political parties or political campaigns.

Avoiding greenwashing Non-material topic

We define greenwashing as a practice in which sustainability-related statements, declarations, actions or communications do not clearly and fairly reflect the underlying sustainability profile of an entity, financial product or financial service. This practice may be misleading to consumers, investors or other market participants.

Continued attention to the prevention of greenwashing

Interest in sustainable investing has grown significantly in recent years and the financial industry has responded by launching many sustainability-oriented products. Unfortunately, it is challenging for investors to distinguish the sustainability credentials of all the products on offer as different providers often adopt very different approaches to sustainability and use conflicting terminology. Against a backdrop of strong investor demand, a fast-evolving market, more stringent regulation and increased scrutiny of asset managers' claims about sustainability from investors, regulators, NGOs and the media, there is a clear risk that sustainability-oriented investment products do not meet everyone's sustainability expectations. Robeco disapproves of greenwashing and seeks to avoid it at all costs through the adoption of a series of measures that we outline below.

- Our Investment due diligence policy ensures that our portfolios are always in line with the objectives and characteristics (including those related to sustainability) that we communicate to investors.
- Our Sustainability risk policy forms the basis of independent monitoring by our Risk Management function and our adherence to the sustainability commitments that we communicate to investors.
- Our Remuneration policy aims to prevent employees from taking undesirable risks. All employees have a sustainability KPI as part of their performance appraisal and sustainability-linked risk factors are integrated in the annual goals of relevant employees, such that their remuneration is aligned with sustainability risk management.
- Our Product approval and review policy ensures that our products and services meet the objectives, needs and expectations of their target markets, that we meet applicable disclosure requirements and that we avoid or adequately manage any potential conflicts of interest that may result in greenwashing risks.
- Our Marketing materials policy aims to ensure we produce marketing communications that are fair, clear and not misleading and provides guidelines on how to communicate Robeco's approach to sustainable investing in order to avoid greenwashing.
- Our Client assessment policy requires us to collect sufficient information from our clients about their sustainability preferences so that we can ensure our services represent a good match for their needs. It also ensures our clients clearly understand the sustainability credentials of the strategies they choose to invest in.
- Based on our Conflicts of interest policy, we have put processes in place to identify and adequately manage any potential conflicts of interest, including conflicts that could give rise to greenwashing or mis-selling or misrepresentation of our investment strategies.

Our Risk Management and Compliance functions monitor these policies and changes to relevant regulations on an ongoing basis. They report the outcomes of these monitoring activities to our Enterprise Risk Management Committee and Risk Management Committee. The effectiveness of our control measures is also periodically audited by our Internal Audit department. Our Sustainability and Impact Strategy Committee (SISC) oversees all matters related to sustainability and sustainable investing in our company, including any issues linked to greenwashing.

Enhancements made in 2024

We took several steps in 2024 to ensure that our approach to mitigating greenwashing risks remained up to date. Our Enterprise Risk Management Committee discussed how greenwashing represents a risk that could affect Robeco's business strategy. The committee confirmed the need to further assess Robeco's approach to adequately manage greenwashing risks. To follow up, Robeco's Compliance department developed a structured, risk-based approach to combat greenwashing risks, using several key supervisory publications on the topic of greenwashing from 2024 as input. These included the European Securities and Market Authority's (ESMA) final report on greenwashing and its guidelines on fund names using ESG-related terms. The steps taken by Compliance were discussed and supported by the SISC.

During the year we prepared for the implementation of ESMA's guidelines on fund names using ESG-related terms, which will come into effect in May 2025. The guidelines introduce minimum requirements for the use of sustainability-linked terms in fund names to be deemed acceptable. Where necessary, Robeco will adjust the strategies of certain funds to meet the minimum requirements or remove ESG-related terms from the names of funds for which meeting the minimum requirements would have an undesirable impact on how we manage them. We expect to make these changes early in 2025, well before the ESMA guidelines become effective in May.

Finally, in order to increase awareness of how to prevent greenwashing throughout the company, we launched a new anti-greenwashing e-learning module as part of our internal sustainability training program, the SI Academy, in 2024.

Our vendors, procurement and third-party management practices

Non-material topic

The vendors we use are an important group of business partners for Robeco. They are vital to our success as they provide us with the goods and services that enable us to operate efficiently and effectively. We work closely with them to ensure ethical and sustainable practices are applied throughout our upstream value chain.

Our procurement policy sets out how we organize all our purchasing activities. Our aim is to strike the optimal balance between cost, value, risk and sustainability to maximize long-term operational and

THIRD-PARTY MANAGEMENT

The set of governance and controls applied to all third-party dependencies that can impact Robeco's objectives and operations with a high focus on risk assessment, monitoring, management and oversight.

THIRD-PARTY RISKS

Third-party risks we are exposed to include information and cyber, compliance, financial, business continuity, corporate social responsibility, reputational, data privacy, anti-money laundering, counter-terrorism financing, sanctions, conflict of interest, lock-in, concentration, control failure and business conduct-related risks.

OUR SEVEN PRINCIPLES OF SUSTAINABLE PROCUREMENT

Key vendors we work with are informed about our seven principles of sustainable procurement.

Human rights

1. We expect vendors to support and respect the UN's Universal Declaration of Human Rights and ensure that they are not complicit in any form of abuse. In other words, all parts of their supply chain must be managed in an ethical way.

Labor

2. We encourage vendors to promote diversity and inclusion by not discriminating on the grounds of race, religion, gender, sexual orientation, age, physical ability, health condition, political opinion, nationality, social or ethnic origin, union membership or marital status when hiring and employing.
3. All forms of forced, compulsory and child labor are unacceptable.
4. Vendors should act responsibly to ensure the health and safety of their employees.

Environment

5. We expect vendors to support and promote environmental protection and to comply with local environmental laws and regulations.
6. We expect vendors to promote environmental responsibility and to support us in the use of goods and services that help mitigate our environmental impact. This can include better management and use of resources such as energy, paper and water, and minimizing waste.

Anti-corruption

7. We expect our vendors to behave ethically and to respect local laws. Bribery and corruption in any form are strictly prohibited. Any potential conflicts of interest affecting vendors must be declared, and engaging in any activity that might reasonably be interpreted as an attempt to affect the impartiality of a vendor's employees must be avoided.

financial resilience. In 2024 we refined our third-party risk management policy, bringing it in line with the EU's Digital Operational Resilience Act (DORA). At the end of 2024 we started updating our procurement policy and in 2025 we will further integrate sustainability in this policy by considering more elements that reflect the sustainability credentials of the goods and services that we buy.

Robeco requires its vendors to conduct their business in a responsible and sustainable manner. To help ensure they do, we have defined seven principles of sustainable procurement that we communicate to both existing and new key vendors. In 2024 we evaluated the quality of the data we use in calculating the Scope 3 CO_2e emissions of the goods and services we buy. We also developed an engagement plan with our biggest vendors to review their sustainability targets and roadmaps, the results of which we will communicate in our next Integrated Annual Report.

The way we treat our suppliers is also important to us, and making timely and correct payments to our suppliers is a key aspect of our relationship with them. We have procedures and controls in place that govern how supplier invoices are processed. These are described in our procurement policy. One of the controls is that all invoices are submitted for approval before payment takes place.

We also have standardized payment terms of 30 days. In 2024, the average time it took to pay an invoice was 30 days (2023: 29 days) and we paid 82% (2023: 79%) of the invoices within the standardized payment term. When processing invoices we treat all suppliers equally and do not differentiate between them based on the size of the company or any other criteria. We do not have any legal proceedings outstanding for late payments.

→ *Read more about our operational environmental footprint*

ESG data quality

High-quality ESG data is fundamental to Robeco's success as we use sustainability-related information in many of our processes. It enables us to effectively select securities, manage portfolio exposures and risks, evaluate impact, meet client expectations, comply with regulations, maintain positive stakeholder relations and gain a competitive edge in the market.

High-quality ESG data is becoming increasingly critical for successful responsible investment management. Access to accurate, timely information can lead to better-informed decisions that may lead to improved investment returns and real-world outcomes for our clients. Conversely, inferior data could lead to results inconsistent with investment preferences.

Robeco places considerable emphasis on engaging with the companies we invest in. We define the universe of companies to engage with based on data. Incorrect inputs could lead to a loss of credibility.

Policies

In 2024 our Data Governance Board[105], which is responsible for formulating our data policies and ensuring they are adhered to across Robeco, created a seven-step framework to ensure all the data sets, including ESG data, we use at Robeco are of high quality. In order to become an official data product, individual data owners within Robeco must ensure that their product meets a core set of requirements. These include labelling and describing the data and associated data flows so that it is easy for others within the company to understand. We plan to enhance our approach, including creating data quality indicators for use in our dashboards, in 2025.

This data governance framework is a key part of our digital foundation project, which lays the foundation of the Robeco data and integration architecture. Only by adhering to our data policies can colleagues create products on our Modern Data Platform, our new consolidated means of internal data distribution.

Policies set by the Data Governance Board cover all data across the firm. It is up to the data owners within our SI data domain to ensure they meet the minimum required standards. Otherwise, we approach ESG data on a topic-by-topic basis. For instance, Robeco's research into climate data yields a set of processes and actions that are suitable for the nuances of that area. Climate research is at a stage where we can currently reasonably rely on the Scope 1 and 2 emissions that companies disclose, but not corporate target data. By contrast, there is far less reliable biodiversity data, which means that we cannot apply the same data-related processes in the same way. We have taken initiatives in relation to biodiversity data which we elaborate on below, and will assess their effectiveness once possible.

In 2024 we started to investigate the possibility of using new kinds of information, such as geospatial data, in our investment processes.

105. Our Data Governance Board is chaired by the COO. Representatives from Robeco's seven data domains, the COO domain, data architecture and internal audit also hold seats on the board.

To help us do this we partnered with a third party, Climate Engine, to determine whether satellite imagery combined with corporate location information could help us assess the biodiversity-related risks that companies are exposed to. We will continue this project in 2025. Many other data providers have launched similar products.

→ *Read our White Paper on Investing for Biodiversity: The Opportunity and Challenge*

Unlike climate change, for which there is a single measure of its cause (greenhouse gas emissions) and a framework to calculate them (the Greenhouse Gas Protocol), there is no globally accepted methodology to calculate the extent of biodiversity loss. In the first half of 2024 we published a biodiversity white paper that detailed our analysis of the various nature-related measures available and how Robeco deals with this issue. This paper was the product of our Biodiversity Data Working Group's efforts in 2023.

→ *Read our White Paper on decision-useful biodiversity data*

Key developments in 2024

2023 was a year of increased regulation, but 2024 has seen some commentators highlighting the drawbacks of new regulations, including in Europe. In the US, it seems likely that the Securities and Exchange Commission's plans to broaden sustainability reporting requirements will be halted. What's more, several prominent reports have pointed out the challenges and limitations of EU regulatory initiatives.

In particular, Mario Draghi's report on the future of European competitiveness highlighted the significant regulatory burden in the EU and advocated for simplification of regulation. Meanwhile, the London Stock Exchange Group, a leading provider of financial data, published a paper highlighting weaknesses in EU taxonomy data. It revealed that available reported data is frequently inconsistent, and while estimates can be helpful, they often have limited usefulness for investors.

We are confident that demand for ESG data will continue to grow over the coming years. We therefore continue to scan the marketplace for novel solutions and technologies that can contribute to our investment decision-making process. Individual topic leads carry out this research in their area of expertise under the overall guidance of our SI Data Strategist. Having this additional layer of oversight ensures that different domains across our business can take advantage of novel ESG data in a consistent manner. This approach also aims to prevent redundancy and unnecessary duplication of the data we source.

Outlook

We expect to see further progress in the classification of sustainable activities. Europe has taken the lead in this field through the EU taxonomy, and we expect other jurisdictions to develop similar approaches to classifying sustainable activities that are relevant to their economies. One of our main initiatives in 2025 will be to investigate how we can contribute to making such taxonomies interoperable to ensure they are useful.

Financial statements

Consolidated financial statements 2024

Consolidated income statement

for the year ended 31 December

EUR x million	Notes	2024	2023
Revenues	1	798.9	768.3
Distribution and subadvisory costs	2	-197.9	-195.0
Net income from fees		**601.0**	**573.3**
Other income	3	3.0	3.2
Operating income		**604.0**	**576.5**
Employee benefits expenses	4	250.0	238.7
Depreciation and amortization	5	14.2	14.0
Other expenses	6	198.5	196.8
Total operating expenses		**462.7**	**449.5**
Operating result		**141.3**	**127.0**
Interest income	7	7.6	4.0
Interest expense	7	-0.9	-0.5
Other net finance income/(expense)	7	6.0	1.4
Share in result of entities accounted for using the equity method		-	0.0
Result on sale of business	12	-	17.5
Result before tax		**154.0**	**149.4**
Income tax expense	8	37.5	35.5
Result for the year		**116.5**	**113.9**
Attributable to:			
Owner of the parent company		115.0	112.9
Non-controlling interests		1.5	1.0
		116.5	**113.9**

Consolidated statement of comprehensive income
for the year ended 31 December

EUR x million	Notes	2024	2023
Result for the year		116.5	113.9
Other comprehensive income			
Items that are or may be reclassified to profit or loss in subsequent periods:			
• Net result on hedge of net investments		2.0	-4.0
• Income tax effect		-	-
		2.0	-4.0
• Foreign exchange rate differences on translation of foreign operations		1.7	5.9
• Income tax effect		-	-
		1.7	5.9
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	44	3.7	1.9
Items not to be reclassified to profit or loss in subsequent periods:			
• Re-measurement gains/(losses) on defined benefit plan		1.4	1.2
• Income tax effect		-0.3	-0.2
	44	**1.1**	**1.0**
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		1.1	1.0
Other comprehensive income for the year, net of tax		4.8	2.9
Total comprehensive income for the year, net of tax		121.3	116.8
Attributable to:			
• Owner of the parent company		119.8	115.8
• Non-controlling interests		1.5	1.0
		121.3	116.8

Consolidated statement of financial position

at 31 December before profit appropriation

EUR x million	Notes	2024	2023
ASSETS			
Property, plant and equipment	9, 10	62.1	38.1
Intangible assets and goodwill	11	109.4	110.5
Financial assets	13	197.3	101.4
Pension assets	22	1.1	1.1
Deferred tax assets	15	11.9	12.4
Non-current assets		381.8	263.5
Trade and other receivables	16	141.1	140.5
Current tax receivables	15	2.8	2.3
Other financial assets	13, 14	5.1	1.9
Cash and cash equivalents	18	235.0	275.7
Current assets		384.0	420.4
Total assets		765.8	683.9
EQUITY AND LIABILITIES			
Equity			
Issued capital		0.0	0.0
Share premium		4.8	4.8
Other reserves		12.0	8.3
Retained earnings		314.5	313.4
Unappropriated result financial year		115.0	112.9
Equity attributable to owner of the parent company	19	446.3	439.4
Non-controlling interests	20	29.4	8.7
Total equity		475.7	448.1
Provisions	21	2.9	3.0
Employee benefits	22	15.3	18.7
Deferred tax liabilities	15	0.1	0.0
Lease liabilities non-current	10	46.6	20.7
Long-term loan granted by related party	23	20.0	-
Non-current liabilities		84.9	42.4
Bank overdraft	18	-	19.3
Financial liabilities	14	2.5	4.3
Lease liabilities current	10	8.6	10.3
Current tax liabilities	15	13.2	4.8
Provisions	21	-	-
Trade and other payables	25	180.9	154.7
Current liabilities		205.2	193.4
Total liabilities		290.1	235.8
Total equity and liabilities		765.8	683.9

Consolidated statement of changes in equity
for the year ended 31 December

	Attributable to owner of the parent company								
EUR x million	Issued capital	Share premium	Translation reserve	Hedging reserve	Retained earnings	Un-appropriated result	Total	Non-controlling interests	Total equity
At 1 January 2024	**0.0**	**4.8**	**61.0**	**-52.7**	**313.4**	**112.9**	**439.4**	**8.7**	**448.1**
Result for the year	-	-	-	-	-	115.0	115.0	1.5	116.5
Other comprehensive income	-	-	1.7	2.0	1.1	-	4.8	-	4.8
Total comprehensive income	**-**	**-**	**1.7**	**2.0**	**1.1**	**115.0**	**119.8**	**-**	**119.8**
Dividends	-	-	-	-	-112.9	-	-112.9	-	-112.9
Addition to reserves	-	-	-	-	112.9	-112.9	-	-	-
Movements in non-controlling interests	-	-	-	-	-	-	-	19.2	19.2
At 31 December 2024	**0.0**	**4.8**	**62.7**	**-50.7**	**314.5**	**115.0**	**446.3**	**29.4**	**475.7**
At 1 January 2023	**0.0**	**4.8**	**55.1**	**-48.7**	**306.8**	**128.4**	**446.4**	**10.2**	**456.6**
Result for the year	-	-	-	-	-	112.9	112.9	1.0	113.9
Other comprehensive income	-	-	5.9	-4.0	1.0	-	2.9	-	2.9
Total comprehensive income	**-**	**-**	**5.9**	**-4.0**	**1.0**	**112.9**	**115.8**	**1.0**	**116.8**
Dividends	-	-	-	-	-122.8	-	-122.8	-	-122.8
Addition to reserves	-	-	-	-	128.4	-128.4	-	-	-
Movements in non-controlling interests	-	-	-	-	-	-	-	-2.5	-2.5
At 31 December 2023	**0.0**	**4.8**	**61.0**	**-52.7**	**313.4**	**112.9**	**439.4**	**8.7**	**448.1**

Consolidated statement of cash flows

for the year ended 31 December

EUR x million	Notes	2024	2023
Cash flows from operating activities	31		
Result before tax		154.0	149.4
Adjustments to result before tax:			
Depreciation and amortization		14.2	14.0
Other movements from operations		-	-17.5
Results on non-current financials assets and liabilities		-9.6	-6.4
Disposals property, plant and equipment		2.8	-
Provisions		-0.1	-
Lease liabilities		-0.6	-0.5
Pension		1.4	-0.3
		162.1	**139.3**
Other movements from operations:			
Change in assets		1.2	-12.3
Change in liabilities		21.1	-18.1
Payment of/proceeds from hedges of net investments		0.2	-4.0
		184.6	**95.8**
Interest received		-1.3	-
Interest paid		0.2	-
Income tax paid		-29.5	-34.0
Net cash flows from operating activities		**154.0**	**70.9**
Cash flows from investing activities	32		
Purchase of property, plant and equipment		-5.8	-1.9
Purchase of other intangible assets		-0.1	-
Purchase of financial assets at fair value through profit or loss		-92.4	-30.7
Proceeds from sale of financial assets at fair value through profit or loss		25.3	26.4
Proceeds from sale of property, plant and equipment		0.2	0.1
Proceeds from sale of other intangible assets		0.1	18.4
Dividends received		-	0.6
Net cash flows used in investing activities		**-72.7**	**12.9**
Cash flows from financing activities	33		
Repayment of loans		-9.8	-9.1
Loans granted		20.0	-
Dividends paid		-112.9	-122.8
Net cash flows used in financing activities		**-102.7**	**-131.9**
Net increase/decrease in cash and cash equivalents		-21.4	-48.1
Cash and cash equivalents at 1 January		256.4	304.5
Effect of movements in exchange rate on cash held		0.0	-0.1
Cash and cash equivalents at 31 December*	18	**235.0**	**256.4**

* Cash and cash equivalents includes bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

Notes to the consolidated financial statements 2024

Corporate information

Robeco Holding B.V. (also referred to as "the Company" or Robeco Holding) is established in the Netherlands, having its legal seat at Weena 850, 3014 DA Rotterdam, the Netherlands. Robeco Holding is a private limited company under Dutch law and registered under number 62051598 at the Chamber of Commerce. All shares are held by ORIX Corporation Europe N.V. (also referred to as OCE) established in the Netherlands which is wholly owned by ORIX Corporation (also referred to as ORIX), with registered office in Tokyo, Japan.

Robeco Holding is a holding company that owns various operating companies worldwide which are specialized in asset management and investment services. The main activities of most of the operating companies are regular investment management activities on behalf of clients, including management of investment funds. The Company and its subsidiaries receive management fees and other fees for these activities.

Robeco Institutional Asset Management B.V. (also referred to as RIAM), a fully owned subsidiary of the Company, has both an AIFMD license as referred to in article 2:65 of the Dutch Financial Supervision Act ('Wft') and a license to act as manager of UCITS as referred to in article 2:69b of the 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').

Robeco Schweiz AG, established in Zurich, a fully owned subsidiary of the Company, has a license as asset manager of collective assets from the Swiss Financial Market Supervisory Authority FINMA.

Robeco Hong Kong Ltd., established in Hong Kong, a fully owned subsidiary of the Company, has a license as asset management/investment advisor (types 1, 2, 4 and 9) from the Securities and Futures Commission (SFC).

Robeco Institutional Asset Management UK Ltd., established in London, a fully owned subsidiary of the Company, has a license as a regulated investment manager by the Financial Conduct Authority (FCA).

Robeco Holding B.V. also holds 100% of the shares in Robeco Nederland B.V., the Dutch central service company of Robeco Holding and other operating entities that are part of the Robeco group. Robeco Nederland B.V. is the formal employer of almost all of Robeco's staff based in the Netherlands, who are provided to Robeco group by Robeco Nederland B.V. on the basis of an intercompany service agreement.

Robeco Holding B.V.'s other subsidiaries are listed in note 28 Related parties and have licenses with financial supervisory authorities in their respective countries, except for Robeco France S.A.S., Ro-Boetie S.A.S. and SAM Sustainable Asset Management AG.

In these financial statements, the items Balances due from related parties and Payables to related parties refer to those subsidiaries of ORIX Corporation Europe N.V. that have transactions with the Company.

The consolidated financial statements of Robeco Holding for the year ended 31 December 2024 relate to Robeco Holding and its subsidiaries (together hereinafter referred to as the 'Group'). The Group's financial information is included in the consolidated financial statements of ORIX.

Financial reporting period

These financial statements cover the year 2024, which ended at the balance sheet date of 31 December 2024.

Material accounting policies

Statement of compliance

The consolidated financial statements of Robeco Holding have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), hereafter IFRS-EU, which comprise standards and interpretations approved by the International Accounting Standards Board, and with Part 9, Book 2 of the Dutch Civil Code.

The consolidated financial statements were prepared by the Management Board and approved by the Supervisory Board on 24 April 2025 and will be submitted for adoption by the Shareholder meeting on 29 April 2025.

Basis of preparation

The consolidated financial statements are presented in euros, the Group's functional and reporting currency. Unless stated otherwise, all amounts are presented in millions of euros, rounded to the nearest tenth of a million. The totals may not always match the sum of the individual values due to rounding.

The accounting policies applied for measurement of assets and liabilities and determination of results are based on the historical cost convention, unless otherwise stated in the further accounting principles. The financial statements have been prepared on a going concern basis.

Application of Section 402, Book 2 of the Dutch Civil Code

The financial information of the Company is included in the consolidated financial statements. For this reason, in accordance with Section 402, Book 2 of the Dutch Civil Code, the separate profit and loss account of the Company exclusively states the share of the result of participating interests after tax and the other income and expenses after tax.

For an appropriate interpretation of these statutory financial statements, the consolidated financial statements of the Company should be read in conjunction with the separate financial statements, as included under pages 174 to 177.

Standards issued but not yet effective

Future IFRS developments

In addition to the applied IFRS standards and interpretations in these financial statements a number of IFRS standards and interpretations are new or have been amended and apply to financial statements for periods beginning on or after 1 January 2025. We have not applied the standards outlined below in the 2024 financial statements. Unless stated otherwise, standards will be applied as soon as they become effective and have been endorsed by the EU.

Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability

The amendments clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability. A currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable, a company needs to estimate a spot rate. The objective when estimating a spot rate is only that it reflects the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. New disclosures are required to help users assess the impact of using an estimated exchange rate on the financial statements. These disclosures might include the nature and financial impacts of the currency not being exchangeable, the spot rate used, the estimation process and risks to the company because the currency is not exchangeable.

The amendments apply for annual reporting periods beginning on or after 1 January 2025, earlier application is permitted. The amendments are not expected to have a material impact on the results or equity of the Company.

Annual Improvements to IFRS Accounting Standards – Volume 11

The IASB issued Annual Improvements to IFRS Accounting Standards – Volume 11 relate to:

- IFRS 1 First-time Adoption of International Financial Reporting Standards
  - Hedge accounting by a first time adopter
- IFRS 7 Financial Instruments: Disclosures
  - Gain or loss on derecognition
  - Disclosure of deferred difference between the fair value and the transaction price
  - Disclosures on credit risk
- IFRS 9 Financial Instruments
  - Derecognition of lease liabilities
  - Transaction price
- IFRS 10 Consolidated Financial Statements
  - Determination of a ‘de facto agent’
- IAS 7 Statement of Cash Flows
  - Cost method

The amendments apply for annual reporting periods beginning on or after 1 January 2026; earlier application is permitted.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

The amendments clarify that a financial liability is derecognized on the ‘settlement date’ and introduce an accounting policy choice to derecognize financial liabilities settled using an electronic payment system before the settlement date. Other clarifications include the classification of financial assets with ESG linked features via additional guidance on the assessment of contingent features. Clarifications have been made to non-recourse loans and contractually linked instruments. Additional disclosures are introduced for financial instruments with contingent features and equity instruments classified at fair value through OCI.

The amendments apply for annual reporting periods beginning on or after 1 January 2026, earlier application is permitted with an option to early adopt the amendments for contingent features only. The amendments are not expected to have a material impact on the results or equity of the Company.

IFRS 18 Presentation and Disclosure in Financial Statements

This new standard replaces IAS 1 Presentation and Disclosure in Financial Statements, with the aim is to improve comparability and transparency of communication in the financial statements. It introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified ‘roles’ of the primary financial statements and the notes. In addition, there are consequential amendments to other accounting standards.

The standard together with the amendments to the other standards, applies for annual reporting periods beginning on or after 1 January 2027, earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively. Entities that prepare condensed interim financial statements in accordance with IAS 34 in the first year of adoption of IFRS 18 must present the headings and mandatory subtotals it expects to use in its annual financial statements.

IFRS 18 will have impact on the presentation of the annual financial statements of the Company. Also the presented comparative periods in the Income Statement need to be restated and reconciled with the statements previously published.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. The application of the standard is optional for eligible entities. An entity applying IFRS 19 is required to disclose this in its general IFRS accounting standards compliance statement.

The standard applies for annual reporting periods beginning on or after 1 January 2027, earlier application is permitted. In the first year of applying this standard an entity is required to disclose comparative information. The standard is not expected to have an impact on the results or equity of the Company.

Material accounting judgments and estimates

The preparation of financial statements requires the use of judgment and estimates. This affects the recognition and valuation of assets, provisions and liabilities, the disclosure of contingent liabilities as of the date of the financial statements and the reported amounts of income and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, the actual results may ultimately differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and are consistent with the Group's risk management and climate-relate commitments where appropriate. Revisions to accounting estimates are recognized in the period in which the estimate is revised.

Consolidation and equity-accounted investees

In determining whether the Company controls an investee to decide whether the investee has to be consolidated, the Company analyses whether it has power over the investee, whether it is exposed to or has rights to variable returns from its involvement with the investee and whether the Group has the ability to use its powers over the investee to affect the amount of the investor's returns. In specific cases discussed below, the Company applies judgment involving the criteria for consolidation to conclude whether the Company controls an investee.

Investment funds

Investment funds managed by the Group in which the Group holds an interest are consolidated in the financial statements if the Group has power over the decisions of that investment fund and it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.
In determining whether the Group has power, the following is considered:
- the purpose and design of the investee;
- the relevant activities and how decisions are made in relation to those activities;
- the rights of the investor to give it the current ability to direct the relevant activities;
- whether the investor is exposed or has rights to variable returns from its involvement with the investee;
- whether the investor can use its power over the investee to affect the amount of the investor's returns.

If the above criteria indicate that the Group has power, it is evaluated whether the Group has exposure or rights to variability of returns. The following circumstances are assessed:
- direct interest (seed capital investment) of the Group;
- the Group's potential interest through related parties;
- fees dependent on fund value (including, but not limited to, asset management fees); and
- fees dependent on performance of the fund (including, but not limited to, performance fees).

The Group applies the following standards regarding the agent/principal assessment:
- If a single third party holds substantive removal rights, and as a result, can remove the fund manager without cause, the Group acts as an agent;
- If removal rights are largely dispersed, then the Group acts as a principal in the event that variability is more than 40%;
- If no removal rights are in place, then the Group acts as a principal in the event that variability is more than 35%.

The Group also makes use of limited partnerships. For these limited partnerships, the Group determines whether it has control over these entities. This is dependent on whether the Group is a limited partner or general partner and whether other parties have substantive removal rights. The conclusion differs depending on the magnitude of the exposure to variable returns.

Goodwill and intangible assets

Goodwill arises from the acquisition of group companies, joint ventures and associates, when the costs of acquisition exceed the fair value of the Group's share of the identifiable acquired assets and assumed liabilities. Each year the Group performs an impairment test involving management estimates of expected future cash flow, the cost of capital and the value in use. See also Note 'Intangible assets' for further details.

Deferred tax assets

Deferred tax assets are recognized only if it is probable that taxable profits will be realized in the near future against which these temporary differences can be offset. Where relevant the legal period for loss compensation will be taken into account. Estimates are used when determining future taxable profits, as these are subject to uncertainty. Management's judgment is based on profit forecasts, which are established and approved within a maximum time frame, in alignment with the company's strategy. Temporary differences mainly relate to capitalized and amortized goodwill of several acquired entities, carry forward of unused tax credits and unused tax losses in full.

Leases
The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or if that rate cannot be readily determined the Group's incremental borrowing rate. This is the rate that the Group would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Extension and termination options are included in several lease agreements across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. Most of the extension and termination options held are exercisable only by the Group and not by the respective lessor.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Extension options in office leases have not been included in the lease liability, because the Group can replace the assets without significant cost or business disruption.

Provisions
Provisions recorded for possible loss of income are measured at nominal value of the expenditure that is expected to be necessary in order to settle the obligation. The timing of the cash outflow related to these provisions is uncertain.

Basis of consolidation
The consolidated financial statements comprise the financial statements of the Group as at 31 December 2024. The financial statements of the subsidiaries are prepared for the same reporting period as Robeco Holding, using consistent IFRS-EU accounting policies.

Business combinations
Business combinations are accounted for using the acquisition method. The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs. The consideration transferred in the acquisition is measured at fair value, as are the Identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognized in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities Acquisition costs incurred are expensed and included in the other operating expenses (except if related to issue of debt or equity securities). When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the acquisition date fair value of the acquirer's previously held equity interest in the acquiree is remeasured at fair value at the acquisition date in other comprehensive income. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which is deemed to be an asset or liability will be recognized, in accordance with IFRS 9, either in profit or loss or as a change to other comprehensive income. If the contingent consideration is classified as equity, it should not be re-measured until it is finally settled within equity.

Subsidiaries
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has the right to, variable returns from involvement with the entity and can affect those returns through its power over the entity. The financial statements of the subsidiaries are included in the consolidated financial statements from the date on which control commences until the date control ceases.

Non-controlling interests
For each business combination, the acquirer measures the non-controlling interest in the acquiree at the proportionate share of the acquiree's identifiable net assets. The profit for the reporting period that can be attributed to the non-controlling interest is disclosed separately. Non-controlling interests represent the portion of the net result and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Group. Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Loss of control
When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Summary of material accounting policies

Foreign currency translation

The consolidated financial statements are presented in euros, which is the functional and presentation currency of the Group. Each entity of the Group determines its own functional currency and items included in the financial statements of each entity are measured in that functional currency.

Transactions in foreign currencies are translated into the functional currency at the exchange rates at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the exchange rates at the reporting date. Non-monetary assets and liabilities based on historical cost in a foreign currency are translated into euros at the exchange rate at the dates of the initial recognition of the transaction. Non-monetary items measured at fair value in a foreign currency are translated at the exchange rate at the date when the fair value was determined. Foreign currency differences are generally recognized in profit and loss and presented within net finance income.

However, foreign currency differences arising from the translation of the following items are recognized in Other comprehensive income:
- net investments in foreign entities
- qualifying net investment hedges to the extent that the hedges are effective.

Foreign operations

The results and financial position of all group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- assets and liabilities, including goodwill and fair value adjustments arising on acquisition, in the statement of financial position are translated at the exchange rates at the reporting date;
- income and expenses included in the income statement are translated at average exchange rates for the period. The Group decided to elect the practical expedient in IAS 21.40 to use, for practical reasons, a rate that approximates the exchange rates at the dates of the transactions; and
- all resulting exchange rate differences are recognized in other comprehensive income and accumulated in the currency translation reserve, except to the extent that the translation difference is allocated to non-controlling interests.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve relating to that foreign operation is reclassified to the income statement.

Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is classified as current when:
- it is expected to be realized, or be sold or consumed in the normal operating cycle;
- it is hold primarily for the purpose of trading;
- it is expected to be realized within 12 months after the reporting period; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:
- it is expected to settle the liability in its normal operating cycle;
- it is hold primarily for the purpose of trading;
- it is due to be settled within 12 months after the reporting period; or
- there is no right at the end of the reporting period to defer settlement of the liability for at least 12 months after the reporting period.

All other liabilities are classified as non-current.

Revenues

Revenues include management fees, service fees, subadvisory fees, performance fees, fees from clients, revenues from marketing and sales activities and other fees. Revenues from the providing of services, such as those corresponding to management or maintenance contracts are recognized as the performance obligation is satisfied through the transfer of the committed services, regardless of when the resulting monetary or financial flow arises.

Performance obligations

Performance obligations related to asset management services are satisfied over time because the customer simultaneously receives and consumes the benefits provided by the asset manager as the asset manager performs the service. The Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the entity's performance completed to date. Therefore, the Group recognizes revenue in the amount to which the Company has a right to invoice. Payment is generally due within 30 days after invoicing. No obligations for returns are present.

Management and service fees are primarily based on predetermined percentages of the market values of the assets under management and are affected by changes in assets under management, including investment performance, net subscriptions or redemptions and changes in exchange rates.

Management fees and other fees are considered to be a series of distinct services, as these services are substantially the same, have the same pattern of transfer, are satisfied over a period of time and use the same method to measure progress toward satisfaction of the performance obligation. That is, a time-based measure of progress as the customer can benefit from each increment (e.g. daily) of service on its own.

Performance fees are calculated as a percentage of the predefined excess performance of the relevant assets under management and recorded when earned and it is not probable that the fee amount has to be reversed. Fees from clients, revenues from marketing and sales activities and other fees are recognized in the period in which the services are provided.

Performance fees based on a fund's or mandate's performance, relative to a benchmark or the realized appreciation of a fund's investments is a variable consideration. These performance fees are highly susceptible to market volatility until they are realized or are no longer subject to claw-back, which may be after the end of the reporting period. Under a clawback provision, an asset manager may be required to return certain distributions received from the fund if a specific performance threshold is not met. Performance fees are not recognized as revenue until it is probable that a reversal of the cumulative amount of revenue recognized will not occur upon the resolution of the uncertainty.

The Group is entitled to receive a share of the realized profits of certain Private Equity Investee Funds (carried interest). Carried interest is calculated based on a share of profits taking into account the cash already distributed by the Investee Funds and the amount of divestment proceeds receivable or to be received upon disposal as estimated by the Group. Proceeds are distributed by the Investee Funds in such a manner that the Group will not receive a distribution of carried interest before the Partners of the Investee Fund have received their Contributed Capital and an agreed upon return on their investments.

Since only the carried interest amounts received in cash are to be regarded as reasonably assured, carried interest is recognized as revenue in the income statement as from the actual distribution by the Investee Funds. The paid out carried interest amounts are to be regarded as advances on the final amount calculated upon liquidation of the Investee Funds, since they are subject to claw back until a point in time toward the end of life of the Investee Funds.

Revenues from the rendering of services, such as those corresponding to management contracts are recognized as the performance obligation is satisfied through the transfer of the committed services, regardless of when the resulting monetary or financial flow arises.

The Group decided to elect the practical expedient not to disclose the transaction price allocated to the remaining performance obligations provided in IFRS 15.121, as the investment management services are invoiced in line with the value creation towards the customer (which is in accordance with paragraph B16).

Distribution and subadvisory costs

Distribution and subadvisory costs include trailer fees and subadvisory costs payable to third- and related parties. Trailer fees and subadvisory costs are recognized when the services have been provided and can be reliably measured. Trailer fees are primarily based on predetermined percentages of the market values of the average assets under management of the investments, including investment performance and net subscriptions or redemptions. Subadvisory costs are paid to third party asset managers. These costs are mainly based on predetermined percentages of the market values of the average assets under management of the investments.

Other income and expenses

Other income is recognized when the performance obligation to the client has been satisfied either at a point in time or over a period of time. Other expenses are recognized when the services are provided to the Group.

Employee benefits expenses

Employee benefits are charged to the income statement in the period in which the employee services are provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. If the amount already paid exceeds the benefits owed, the excess is recognized as a current asset to the extent that there will be a reimbursement by the employees or a reduction in future payments by the Group.

Relating to the deferred variable remuneration of employees the projected costs are taken into account during the employment e.g. service period. The following main assumptions are taken into consideration for the costs accrued:

- The service period is split into 75% (current year) and 8,33% for the next three years (deferred part).
- The value of the deferred variable remuneration – predominantly 'Robeco Cash Appreciation Rights' (R-CARs) – is based on a rolling eight-quarter period of Robeco's operational result.

Termination benefits are employee benefits provided in exchange for the termination of the employment. These are included in Employee benefits expense and are recognized as an expense at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for restructuring. If the termination is part of a restructuring, the costs of the termination benefits are part of the restructuring provision. See the policy under the heading 'Provisions'.

Termination benefits are measured in accordance with their nature. When the termination benefit is an enhancement to post-employment benefits, measurement is done according to the same policies as applied to post-employment plans. Other termination benefits are measured at the best estimate of the expenditures required to settle the liability.

Benefits which are not expected to be settled within 12 months of the reporting date are discounted.

Dutch pension scheme

Robeco Nederland B.V., a fully owned subsidiary of Robeco Holding, is legally the employer of personnel. Robeco Nederland B.V. has a pension scheme for its employees with Stichting Pensioenfonds Robeco, a Group pension fund.

The pension plan for employees of Robeco Nederland B.V. is a defined contribution pension plan. The funding has been based on a CDC arrangement (Collective Defined Contribution). The premium is fixed for a certain period of time. In 2024 a fixed premium was agreed, as well as for 2023. This contribution is based on a conditional average-salary pension plan (middelloonregeling) in line with prevailing tax and pension legislation. Pension accrual in a conditional average-salary pension plan has been capped at 1.738% per annum of average pensionable earnings up to a certain salary amount (EUR 87,302). Pension accrual is not guaranteed. Above this salary amount the employer makes an individual contribution available (DC) dependent on individual salary and age. The premiums payable in respect of employees' pension entitlements are paid to Stichting Pensioenfonds Robeco.

The provisions of the Dutch Pension Act ('Pensioenwet') are applicable for the Dutch pension scheme. Premiums are paid for the Group and are based on (legal) requirements, a contractual or voluntary basis to its pension fund.

Foreign pension plans

Pension plans in place at foreign operations that are comparable in design and functioning to the Dutch pension system, having a strict segregation of the responsibilities of the parties involved and risk sharing between the said parties (the Group, the pension fund and its members) are recognized and measured in accordance with Dutch pension plans.

In Switzerland the pension plans need to be funded through a legally separate trustee administered pension fund. In this respect Swiss law defines mandatory minimum benefits.

Robeco Schweiz AG is affiliated to the collective foundation 'Groupe Mutuel VorsorgeGMP'. According to IAS 19 the insurance plan is classified as 'defined benefit' plan. The insurance plan is contribution-based. The plan contains a cash balance benefit formula. Under Swiss law the collective foundation guarantees the vested benefit amount as confirmed annually to members. Interest may be added to member balances at the discretion collective foundation. At retirement date members have the right to take their retirement benefit as a lump sum, an annuity or part as a lump sum with the balance converted to a fixed annuity at the rates defined in the rules of the collective foundation.

Interest income and expense

Interest income and expense are recognized in profit or loss based on the effective interest rate. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Other net finance income and expense

Results on financial instruments at fair value through profit or loss comprise realized and unrealized gains and losses on financial instruments at fair value through profit or loss following seed capital investments. Dividends from equity instruments are recognized when the right of payment has been established.

Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Tax on operating profit is recognized in the statement of income in accordance with applicable tax law in the jurisdictions in which Robeco Holding operates. Tax effects of any losses incurred in certain jurisdictions are recognized as assets when it is probable that sufficient future profits will be available in the relevant jurisdiction against which these losses can be offset, see also paragraph Tax assets and liabilities.

Pillar Two top-up income tax

The Ultimate Parent Entity of the Group, ORIX Corporation in Japan, meets the revenue threshold and operates in countries that have enacted legislation to implement the global minimum top-up tax. Therefore, ORIX and its subsidiaries, including Robeco, fall within the scope of the OECD Pillar Two model rules. Robeco applies the IAS 12 exception choosing not to recognize or disclose deferred tax assets and liabilities related to Pillar Two income taxes. Starting in 2024 Robeco discloses separately any current Pillar Two top-up tax.

Tax assets and liabilities

Tax assets and liabilities are stated at nominal value. The tax rates and laws used to compute taxable amounts are those enacted or substantially enacted at the reporting date.

Deferred taxes are recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred taxes are calculated using the tax rates prevailing on the reporting date. Deferred tax assets and liabilities are offset if they relate to the same tax authority, concern the same type of tax, if it is permitted under law to offset these deferrals and if the deferrals are expected to be settled simultaneously. Deferred tax assets are recognized only if it is probable that taxable profits will be realized in the near future against which these temporary differences can be offset.

Deferred tax assets are recognized for unutilized tax losses, unutilized tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognize a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group.

Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences, for example leases and decommissioning liabilities. An entity is required to recognize the associated deferred tax assets and liabilities from the earliest of the earliest comparative period presented with any cumulative effect recognized as an adjustment to retained earnings or other components of equity at that date. For all other transactions an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

The Group previously accounted for deferred tax on leases by applying the integrally linked approach, resulting in a similar outcome as under the amendments, except that the deferred tax asset or liability was recognized on a net basis. Following the amendments the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. However, there was no impact on the statement of financial position because the balances qualify for offset under paragraph 74 of IAS 12. There was no impact on the opening retained earnings as at 1 January 2021 as a result of the change. The key impact for the Group relates to the disclosure of the deferred tax assets and liabilities recognized (see note 16. Tax assets and liabilities).

Value added tax (VAT)

Revenues, expenses and assets are recognized net of the amount of VAT except

- where the VAT incurred on a purchase of assets or services is not recoverable from the tax authorities, in which case the VAT is recognized as part of the costs of acquisition of the asset or as part of the expense item as applicable; and
- trade receivables and payables that are stated with the amount of VAT included.

The net amount of VAT recoverable from, or payable to, the tax authorities is included as part of receivables or payables in the statement of financial position.

Property, plant and equipment

Property, plant and equipment is initially recognized at acquisition, which includes all costs and expenses directly related to the assets acquired until they are ready for use, less accumulated depreciation and any recognized accumulated impairment losses. If an indication of impairment exists, the assets are impaired to their recoverable amount and the impairment is reflected in the income statement in the period in which it arises.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

The useful life and depreciation rate for the owned assets are set out in the table below.

Category of property, plant and equipment	Useful life (in years)
Office alterations	10 years
Furniture and IT hardware	3-5 years
Art objects	not depreciated

Leases

As a lessee

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group, as a lessee, applies a single recognition and measurement approach for all leases, except for short term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Right-of-use assets are initially measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Liabilities arising from a lease are initially measured at the present value of the lease payments that are not paid at the commencement date. These lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Group's incremental borrowing rate (IBR) is used. The Group uses its incremental borrowing rate for discounting the future lease payments. ORIX Corporation Europe provides quarterly an IBR calculation tool for its subsidiaries after they have reassessed incremental borrowing rates. The rates included in this quarterly publication are mandatory.

Lease payments included in the measurement of the lease liability comprise the following:
- Fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

The lease liability is measured at amortized cost under the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to nil.

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

The right-of-use assets are also subject to impairment. The Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment, at each reporting date. If such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. An impairment loss is recognized if the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

Reversal of a previously recognized impairment loss only takes place when there is a change in the assessment used to determine the recoverable amount since the recognition of the last impairment loss. In such case, the carrying amount of the asset is increased to its recoverable amount, but not higher than the carrying amount that would have applied if no impairment loss had been recognized in previous years for the asset.

Intangible assets and goodwill
Intangibles consist of goodwill and other intangible assets. In accordance with IAS 36, Impairment of Assets, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment, at each reporting date. If such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets with indefinite useful lives are tested annually for impairment.

Goodwill
Goodwill represents the difference between the fair value of the acquired assets (including intangible assets) and liabilities, and the purchase price paid (excluding acquisition costs). Goodwill is included in the financial statements at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or whenever events or changes in circumstances indicate that the carrying value may be impaired.

Where goodwill forms part of a cash-generating unit, and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Other intangible assets
Other intangible assets consist of capitalized software that are acquired by the Group. Other intangible assets are stated at cost less any accumulated amortization and any accumulated impairment losses determined individually for each asset.

The useful lives of IT software are finite and are amortized on a straight-line basis over their estimated useful lives, with amortization being charged to the income statement. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end.

The amortization periods are as follows:

Category	Amortization period (in years)
Capitalized software	4 years
Purchased software	5 years

Impairment testing of non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU. An impairment loss is recognized if the carrying amount of a CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Financial assets

Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular-way trades) are recognized on the trade date, i.e. the date that the Group commits to purchase or sell the asset.

Initial recognition based on classification

Trade receivables are initially recognized when they are originated. All other financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is classified as measured at amortized cost, fair value through OCI debt instruments, fair value through OCI equity instruments, and/or fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

The Group initially measures a financial asset at its fair value plus transaction costs in the case of a financial asset not at fair value through profit or loss with the exception of trade receivables that do not contain a significant financing component. Trade receivables that do not contain a significant financing component are initially measured at the transaction price.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Subsequent measurement based on classification

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortized cost (debt instruments)

The Group measures financial assets at amortized cost if both of the following conditions are met and the financial asset not is designated as at fair value through profit and loss:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR). The amortized cost is reduced by impairment losses.

Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

The Group's financial assets at amortized cost include trade and other receivables and loans to related parties included under 'Other financial assets'.

Financial assets at fair value through OCI (debt instruments)

The Group measures debt instruments at fair value through OCI if both of the following conditions are met and the financial asset not is designated as at fair value through profit and loss:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These financial assets are subsequently measured at fair value.

For debt instruments at fair value through OCI, interest income calculated using the effective interest method, foreign exchange gains and losses and impairment losses or reversals are recognized in the income statement. The remaining fair value changes are recognized in OCI. On derecognition, the gains and losses accumulated in OCI are reclassified to profit or loss.

Financial assets designated at fair value through OCI (equity instruments)

Upon initial recognition, the Group can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. These financial assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Notwithstanding the criteria for debt instruments to be classified at amortized cost or at fair value through OCI, as described above, debt instruments may be irrevocably designated at fair value through profit or loss on initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch.

Financial assets at fair value through profit or loss are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss. Dividends on listed equity investments are also recognized as 'Other net finance income/expense' in profit or loss when the right of payment has been established.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the Group's consolidated statement of financial position) when:

- the contractual rights to receive cash flows from the asset have expired; or
- the Group transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group applies the simplified approach and records lifetime expected losses for trade receivables and debt instruments for as far these debt instruments are measured at amortized cost. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime expected credit losses (ECLs) at each reporting date. It is not expected that the ECL will be significant due to the quality of the financial instruments, the guarantee nature of its receivables and the historical default rate of its receivables.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Regarding cash and cash equivalents the Group considers that those have a low credit risk based on the external ratings of the counterparties, credit rating is equivalent to the globally understood definition of 'investment grade'.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial asset. 12-months ECLs are the portion of the ECLs that result from default events that are possible within 12 months after the reporting date or shorter period if the expected life of the financial asset is less than 12 months.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is expected to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (the difference between the cash flows due in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt instruments at fair value through OCI are credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows on the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- A breach of contract such as a default or being more than 90 days past due;
- The restructuring of a loan or advance by the Group on terms that would not be considered otherwise;
- It is probable that the debtor will enter bankruptcy or other financial reorganization; or
- The disappearance of an active market for an instrument because of financial difficulties.

Presentation of allowance for ECL in the statement of position

Loan allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt instruments at fair value through OCI the loss allowance is charged to profit or loss and is recognized in OCI.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Hedging activities and derivatives

Initial recognition and subsequent measurement

The Group uses derivative financial instruments such as forward currency contracts, interest rate swaps and future contracts to hedge its foreign currency risks, interest rate risks and equity price risks, respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value, and changes therein are generally recognized in the income statement. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment.
- Hedges of a net investment in a foreign operation.

The Group has designated certain derivative financial instruments as net investments for foreign operations.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined). A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

Net investment hedges that meet all the qualifying criteria for hedge accounting are accounted for as follows: the effective portion of changes in the fair value of a derivative is recognized in OCI and presented in the translation reserve within equity, while any gains or losses relating to the ineffective portion of the changes are recognized in profit or loss. The amount recognized in OCI is fully or partially reclassified to the income statement as a reclassification adjustment on disposal or partial disposal of the foreign operation, respectively.

Fair value measurement

The Group measures financial instruments at fair value. Further information about the assumptions made in measuring fair values is included in the note Fair values of financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
- in the principal market for the asset or liability; or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price.

Subsequently, that difference is recognized in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, as follows,:
- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Cash and cash equivalents
Cash and cash equivalents comprise cash at banks, cash in hand and highly liquid investments in money market mutual funds. Money market funds are carried at market value based on the reported net asset value per share of the fund. Bank overdrafts are classified as current liabilities.

In the consolidated statement of cash flows, cash and cash equivalents consist of cash and highly liquid investments in money market mutual funds as defined above, net of outstanding bank overdrafts.

Equity attributable to owner of the parent company
Equity is accounted for as the residual interest of the Group after deducting all its liabilities. The amount at which equity is shown in the statement of financial position depends on the measurement of assets and liabilities.

Dividend for distribution is recognized as a liability in the period in which it is declared. Dividend declared after the reporting date is not reflected in the 'Consolidated statement of financial position' for the reporting period.

Non-controlling interests are presented as part of total equity attributable to equity holders of the parent, separately from the Group's equity.

Provisions
A provision is recognized when the Group has a legal or constructive obligation as a result of a past event, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is

used, the increase in the provision due to the passage of time is recognized as a finance cost.

Reinstatement of lease property

A provision for reinstatement of lease property is only recognized when general recognition criteria for provisions are fulfilled. The provision is measured at the expected costs to be incurred to return the property to the lessor in its original state at the end of the lease.

Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays contributions to publicly or privately administered insurance plans on a mandatory, contractual or voluntary basis. The Group has no further payment obligations once the contributions have been paid. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Within the Group a defined benefit plan is available for Robeco Schweiz AG employees. The liability or asset recognized in the statement of financial position in respect of the defined benefit pension plan represents the value of the defined benefit obligation at the reporting date less the fair value of plan assets. Annually the defined benefit obligation is calculated by independent actuaries using the projected unit credit method.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognized immediately in other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Past service costs are recognized in profit or loss on the earlier of
- the date of the plan amendment or curtailment; and
- the date that the Group recognizes restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes the following changes in the net defined benefit obligation under employee benefits expense in the consolidated income statement:
- service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements; and
- net interest expense or income.

Other long-term employee benefits

In addition to fixed annual income, all employees have a variable income component. This depends on the realization of predetermined targets. The job profile of the employees concerned determines the range set for the variable income percentage. In general, if the awarded amount of variable income exceeds a threshold, it is partially paid out over several years.

The Group has a Long-term Incentive Plan for employees. This plan is a cash appreciation rights (R-CARs) plan to which certain employees are eligible. The value of R-CARs is related to the Group's value, which is based on the operating result, conform the audited IFRS-EU financial statements, excluding any write-off or amortization of goodwill related to acquisitions.

R-CARs are vested according to a specific timetable or subject to pre-defined conditions, but generally they mature between one and four years after being granted. Based on the fact that the R-CARs plan is a long-term employee benefit plan, as bonuses are vested and paid more than one year following the period in which they are earned, the projected unit credit method is applied for accounting purposes. The accrued cost is based on a straight-line allocation of the total expected amount of the benefit over the vesting period. R-CARs are recognized in the income statement after being granted to key employees. As per reporting date, the recognized liability related to R-CARs is based on the latest estimate of future profits.

R-CARs that have been awarded, but have not yet vested, generate a yield in cash of 5% of the basic value per year. Vested R-CARs do not generate any yield.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments, as appropriate.

Financial liabilities are measured initially at their fair value, netting their directly attributable transaction costs. The Group's financial liabilities include trade and other payables, financial guarantee contracts and derivative financial instruments.

Liabilities maturing in less than 12 months from the date of the consolidated statement of financial position are classified as current, while those with longer maturity periods are classified as non-current.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method. Gains and losses are recognized in the income statement when the liabilities are derecognized as well as through the EIR amortization process.

The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the income statement.

Trade and other payables are recognized initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition they are measured at amortized cost using the effective interest method. Trade and other payables are expected by the Group to be settled within one year.

Related parties

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, amongst others, the relationship between the Company and its subsidiaries, shareholders, directors and key management personnel. Transactions are transfers of resources, services or obligations, regardless of whether anything has been charged.

Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognized in the financial statements.

Events that provide further information on the actual situation at the balance sheet date and that appear after the financial statements have been prepared but before the adoption of the financial statements, are recognized in the financial statements only if it is essential for the true and fair view.

Events that provide no information on the actual situation at the balance sheet date are not recognized in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

Notes to the consolidated income statement

1. Revenues

EUR x million	2024	2023
Management fees	770.6	734.4
Performance fees	25.3	24.2
Other asset management related fees	-	7.2
Other	3.0	2.5
Total	**798.9**	**768.3**

Management fees represent management fees, advisory fees and service fees. Performance fees are fees receivable upon realization of predefined performance standards such as the performance of a fund's investments. In 2023 other asset management related fees related to retail clients.

The increase of management fees relates to higher average Assets under Management in 2024 compared with 2023. The decrease in other asset management related fees is caused by the transfer of Robeco's online distribution platform for investment services to Van Lanschot Kempen effected on 1 July 2023. See note 12 Sale of business for further information.

Contract balances

Trade receivables are non-interest bearing and are generally on payment terms of up to 30 days (see note 17. Trade and other receivables). In 2024 and 2023 no provision was recognized for expected credit losses on trade receivables due to the guaranteed nature of receivables and the default rate of those receivables.

No contract assets were recognized, as no significant upfront costs were incurred and no revenue was recognized in the reporting period from performance obligations satisfied in previous years, or (partially) satisfied in previous periods.

No contract liabilities were recognized, as no significant upfront fees that relate to future services were received from customers. Additionally, no revenue that was included in the contract liability balance at the beginning of the period was recognized in the reporting period.

2. Distribution and subadvisory costs

EUR x million	2024	2023
Distribution costs	151.5	145.5
Subadvisory costs	46.4	49.5
Total	**197.9**	**195.0**

Distribution costs include trailer fees, one-off distribution expenses and transfer agency fees. Subadvisory costs include advisory fees payable to related and third parties.

3. Other income

Other income consist of revenues on charged costs, these mainly represents services provided to OCE.

4. Employee benefits expense

EUR x million	2024	2023
Wages and salaries	193.8	182.0
Social security costs	15.3	14.3
Pension costs defined contribution plan	19.9	17.2
Pension costs defined benefit plan	3.3	2.1
Other staff costs	17.7	23.1
Total	**250.0**	**238.7**

Expressed in full-time equivalents (FTE) the average number of employees in 2024 was 1,021 FTE's (2023: 1,010 FTE's).

The distribution of the average international staff by country is as follows:

Average FTE's	2024	2023
Netherlands	734	726
Rest of Europe	168	163
United States	13	17
Asia, Middle East and Australia	106	104
Total	**1,021**	**1,010**

5. Depreciation and amortization

EUR x million	2024	2023
Depreciation of Property, plant and equipment owned	2.9	2.9
Depreciation of right-of-use assets	10.9	10.6
Amortization of intangible assets	0.4	0.5
Total	**14.2**	**14.0**

6. Other expenses

EUR x million	2024	2023
Fund-related costs	56.7	52.7
Information technology	42.3	43.8
Temporary staff	22.7	30.7
Market data	25.1	22.7
Marketing	11.0	12.7
Travel and accommodation	5.6	6.1
Housing and furniture	5.6	5.5
Recruitment and courses	5.4	5.2
Advisory	11.3	4.7
Audit costs	3.8	3.2
Other	9.0	9.5
Total	**198.5**	**196.8**

With reference to Section 2:382a of the Dutch Civil Code, the following fees for the financial year were charged to the Group by KPMG (and its network of offices).

EUR x million	2024	2023
Audit financial statements	1.3	1.2
Other audit engagements	1.2	1.2
Other non-audit services	0.8	0.7
Total audit costs	**3.2**	**3.1**

Other audit engagements mainly comprise of audits of funds, Other non-audit services relates amongst others to assurance reports on controls at the Group (ISAE 3402). The audit costs of non-KPMG auditors amount to EUR 0.6 million (2023: EUR 0.1 million).

7. Net finance income and expense

EUR x million	2024	2023
Interest income		
Interest income on financial instruments at fair value through profit or loss	1.8	0.8
Other interest income	5.8	3.2
	7.6	**4.0**
Interest expense		
Interest expense long-term loan	-0.2	-
Interest on lease liabilities	-0.7	-0.5
	-0.9	**-0.5**
Other net finance income/expense		
Net gains/(losses) on financial instruments at fair value through profit or loss	9.1	10.7
Net gains/(losses) on derivative financial instruments	-9.9	-5.6
Foreign exchange rate differences	5.6	-4.4
Dividend income	1.2	0.7
	6.0	**1.4**
Total net finance income and expense	**12.7**	**4.9**

8. Income tax expense

Income tax recognized in the consolidated income statement and the consolidated statement of comprehensive income consists of:

EUR x million	Notes	2024	2023
Current income tax			
Current year:			
- Corporate income tax		37.5	36.1
- Global minimum top-up tax		-	-
Prior-year adjustments		-0.4	1.5
Total		**37.1**	**37.6**
Deferred income tax expense/income			
Carry forward tax losses	16	-0.4	-2.4
Other temporary differences	16	0.8	0.3
Net income tax expense at effective income tax rate		**37.5**	**35.5**

The income tax prior-year adjustments relates to differences in prior year tax filings of EUR 0.4 million in 2024 (2023: EUR 1.5 million).

Under carry forward tax losses an amount of EUR -2.8 million is recognized related to the Dutch object exemption for foreign business profits due to closing of the Robeco Miami branch office in October 2024 and EUR 1.9 million of tax losses at Robeco France which have been partially derecognized due to adjustments in the forecasted taxable profits. In 2023: an amount of EUR -2.7 million is recognized related to carry forward tax losses for Robeco Australia, since future tax profits are expected.

Reconciliation between the net income tax expense and the result before tax for the years ended 31 December 2024 and 2023 is shown below.

EUR x million	2024	2023
Result before tax	**154.0**	**149.4**
Tax at statutory tax rate in the Netherlands	39.7	38.5
Difference in tax rates for foreign operations	-1.4	-2.1
Local taxes	0.9	0.3
Object exemption profit due to closing Robeco Miami branch office	-2.8	-
Non-deductible costs and other non-taxable income items	0.3	1.0
Tax effects of recognition of carry forward tax losses	1.0	-4.4
Tax effects of unrecognized carry forward tax losses	0.4	0.8
Other movements in deferred income tax position	-0.2	-0.1
Current tax expense related to global minimum top-up tax	-	-
Income tax previous financial years	-0.4	1.5
Tax on result	**37.5**	**35.5**
Effective tax rate	24.3%	23.8%
Statutory tax rate in the Netherlands	25.8%	25.8%

The difference in statutory tax rate applicable in the Netherlands (25.8%) and the effective tax rate (24.3%) is mainly caused by taxable income outside The Netherlands in different tax jurisdictions with their own tax rates, effect of carried forward losses and non-deductible costs. The non-deductible costs include expenses to support the set-up of distribution opportunities in China and Japan.

Pillar Two top-up income tax expense

Robeco operates in countries where the Pillar Two model rules are applicable from 1 January 2024. According to these rules, ORIX including Robeco, is considered a multinational enterprise subject to the Pillar Two regulations. ORIX and Robeco have assessed their potential exposure to Pillar Two income taxes based on the 2023 country-by-country reporting and 2024 financial information for the constituent entities within the Group. Based on this assessment, Robeco applies the transitional safe harbor relief in all countries where it has constituent entities (including branches) except for the United Arib Emirates where it cannot apply the transitional safe harbor relief for its Robeco Middle East branch. This branch, based in Dubai, consists of a sales team responsible for the Group's sales activities in the Middle East region. Starting 2024 Robeco Middle East is subject to corporate income tax at a statutory rate of 9%. Japan, the country of residence of the Ultimate Parent Entity, is one of the countries that has enacted the legislation to implement the global minimum top-up tax, whereas the United Arab Emirates have not. As a result, any top-up tax resulting from the operations in Dubai will be levied by the Ultimate Parent Entity, being ORIX Corporation in Japan.

Robeco further applies the IAS 12 exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the consolidated statement of financial position

9. Property, plant and equipment

EUR x million	2024	2023
Property, plant and equipment owned	8.3	7.9
Right-of-use assets	53.8	30.2
Total property, plant and equipment	**62.1**	**38.1**

Movements in property, plant and equipment owned were as follows:

EUR x million	Office alterations		Furniture and IT hardware		Art objects		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Cost at 1 January, net of accumulated depreciation and impairment	**4.9**	**6.1**	**2.6**	**2.3**	**0.4**	**0.4**	**7.9**	**8.8**
Additions	4.1	0.5	1.7	1.4	-	-	5.8	1.9
Disposals	-2.8	-	-2.4	-	-	-	-5.2	-
Cumulative depreciation disposals	0.8	-	1.8	0.1	-	-	2.6	0.1
Depreciation	-1.7	-1.7	-1.2	-1.2	-	-	-2.9	-2.9
Foreign exchange differences	0.1	0.0	0.0	0.0	-	-	0.1	0.0
Net carrying amount at 31 December	**5.4**	**4.9**	**2.5**	**2.6**	**0.4**	**0.4**	**8.3**	**7.9**
At 31 December								
Cost	23.7	22.3	12.0	12.6	0.4	0.4	36.1	35.3
Accumulated depreciation and impairment	-18.3	-17.4	-9.5	-10.0	-	-	-27.8	-27.4
Net carrying amount at 31 December	**5.4**	**4.9**	**2.5**	**2.6**	**0.4**	**0.4**	**8.3**	**7.9**

10. Leased property, plant and equipment

This note provides information for leases where the Group is a lessee.

The carrying amounts of right-of-use assets recognized and the movements during the period:

EUR x million	Office buildings		Vehicles		Total	
	2024	2023	2024	2023	2024	2023
Cost at 1 January, net of accumulated depreciation and impairment	**27.8**	**31.9**	**2.4**	**2.0**	**30.2**	**33.9**
Additions	33.8	6.1	0.8	1.5	34.6	7.6
Disposals	-0.3	-0.5	-0.1	-0.2	-0.4	-0.7
Depreciation	-10.0	-9.7	-0.9	-0.9	-10.9	-10.6
Foreign exchange differences	0.3	0.0	-	-	0.3	0.0
Net carrying amount at 31 December	**51.6**	**27.8**	**2.2**	**2.4**	**53.8**	**30.2**

The lease contract for the FIRST building in Rotterdam has been extended by 10 years. The extension has an impact of EUR 29.1 million which, in the table above, is reflected under Additions for the year 2024.

The Group leases various offices and equipment. Office rental contracts are typically made for fixed periods of 3 to 10 years but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Extension and termination options are included in several lease agreements across the Group. These terms are used to maximize operational flexibility in terms of managing contracts. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. None of the lease payments made in the current year were optional.

The Group's obligations under its leases are generally secured by the lessor's title to the leased assets. The Group also has certain leases with lease terms of 12 months or less and leases with low value. None of the lease payments made in the current year were optional.

The Group applies the short-term and low-value lease recognition exemption. Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Low-value assets comprise IT-equipment and small items of office furniture.

Lease liabilities

The contractual undiscounted cash flows, maturity profile and carrying amounts of the lease liabilities:

EUR x million	2024	2023
Contractual undiscounted cash flows maturity analysis at 31 December		
Less than 1 year	10.2	10.8
Between 1 and 5 years	27.9	21.1
Over 5 years	25.0	0.3
Total contractual cash flows	**63.1**	**32.2**
Carrying amount at 31 December		
Current	8.6	10.3
Non-current	46.6	20.7
Total	**55.2**	**31.0**

Amounts recognized in the income statement

The income statement shows the following amounts relating to leases:

EUR x million	2024	2023
Depreciation expense of right-of-use assets	-10.9	-10.6
Interest on lease liabilities	-0.6	-0.5
Expenses relating to short-term leases	-	-
Expenses relating to leases of low-value assets	-0.4	-0.4
Total amount recognized in income statement	**-11.9**	**-11.5**

The Group had total cash outflows for leases of EUR 10.4 million in 2024 (EUR 9.6 million in 2023).

11. Intangible assets and goodwill

Movements in intangible assets were as follows:

EUR x million	Goodwill		IT software		Total	
	2024	2023	2024	2023	2024	2023
Cost at 1 January, net of accumulated amortization and impairment	**109.5**	**104.8**	**1.0**	**1.4**	**110.5**	**106.2**
Additions	-	-	0.1	-	0.1	-
Disposals	-	-0.9	-0.8	-	-0.8	-0.9
Cumulative amortization disposals	-	-	0.7	-	0.7	-
Amortization	-	-	-0.4	-0.5	-0.4	-0.5
Foreign exchange differences	-0.7	5.6	0.0	0.1	-0.7	5.7
Net carrying amount at 31 December	**108.8**	**109.5**	**0.6**	**1.0**	**109.4**	**110.5**
At 31 December						
Cost	108.8	109.5	3.3	4.0	112.1	113.5
Accumulated amortization and impairment	-	-	-2.7	-3.0	-2.7	-3.0
Net carrying amount at 31 December	**108.8**	**109.5**	**0.6**	**1.0**	**109.4**	**110.5**

Goodwill represents expected synergies resulting from the acquisition of Robeco SAM A.G. in 2007.

There are no accumulated impairments at 31 December 2024 and 31 December 2023.

Amortization

The amortization on other intangible assets is included in item Depreciation and amortization in the consolidated income statement.

Impairment testing

Each year the Group performs an impairment test on the recognized goodwill related to the acquired group company Robeco Schweiz AG and assesses whether there are indications of impairment of other identified intangibles. The goodwill has been allocated to the relevant cash-generating unit 'Robeco'.

The total carrying amount of the cash-generating unit (CGU) 'Robeco' as at 31 December 2024 amounted to EUR 446.3 million (2023: EUR 439.4 million), of which EUR 108.8 million (2023: EUR 109.5 million) related to goodwill. The increase in the carrying amount of the CGU is mainly due to higher net management fees due to higher average Assets under Management.

In December 2024 the Group carried out its annual impairment test on the goodwill arising from acquisitions in the current and prior years. To determine whether an impairment is necessary, the recoverable amount of the CGUs is compared with its carrying amount. The recoverable amount of the CGU was determined on the basis of a value-in-use calculation using cash flow projection from the financial forecast approved by senior management covering a five-year period. This cash flow projection is discounted by a pretax discount rate. Cash flows beyond the five-year period were extrapolated using long-term average growth rate in line with the expected long-term average growth rate for the underlying business.

The annual test of goodwill was performed on the operating segments to which the goodwill is allocated by management: Robeco, these being the lowest level of CGUs as defined by management.

Key parameters impairment model	2024	2023
Discount rate before tax %	12.4	13.0
Growth rate in period %	1.7	1.3
Carrying amount CGU in EUR x million	446.3	439.4

The calculation of value in use for the CGU is most sensitive to the following assumptions:

1. Earnings before interest and taxes (EBIT)

EBIT is derived from projections based on management's most recent view of the long-term outlook. In order to forecast beyond the five-year period into perpetuity, a long-term average growth rate has been used.

2. Discount rates

Discount rates reflect management's estimate of the risks specific to the unit. The weighted average cost of capital is determined using the yield on a long-term risk-free government bond as at 31 October 2024, adjusted for a market risk premium and multiplied by a relevant beta coefficient.

3. Long-term average growth rate

Rate is based on the average growth rate in Real Gross Domestic

Product for the next five-year period in the territory or territories in which the revenues are generated, as published by an independent external party.

Regarding the assessment of the value in use of the cash-generating unit, management believes that no probable change in any of the above key assumptions would result in the carrying amount of the unit materially exceeding its recoverable amount.

12. Sale of business

In February 2023, Robeco and Van Lanschot Kempen (VLK) signed an agreement for a strategic partnership including the transfer of Robeco's online distribution platform for investment services to VLK. The partnership fits in with Robeco's strategic focus on its core business in the Dutch and global wholesale and institutional markets. Robeco's clients retained their current investments under the same conditions at VLK, Robeco's investments funds remain available to clients through VLK's distribution platform Evi Van Lanschot. The agreement was closed on 1 July 2023 at a purchase price of EUR 20 million. On this date all the assets and liabilities of Robeco Retail were transferred to VLK, among others client contracts, supplier contracts, intellectual property rights, and Robeco Retail employees.

The related part of goodwill amounted EUR 0.9 million and is disposed in 2023, see note 11. Intangible assets and goodwill. Direct costs related to this transaction amounted in 2023 to EUR 1.6 million, and includes costs of external advisors.

13. Financial assets

	Fair value EUR x million		Interest rate %	
	2024	2023	2024	2023
Non-current financial assets				
Equity securities mandatorily at fair value through profit or loss	119.1	77.3	-	-
Corporate debt securities mandatorily at fair value through profit or loss	35.6	17.3	4.7	4.0
Sovereign debt securities mandatorily at fair value through profit or loss	42.6	6.8	3.4	1.5
	197.3	101.4		
Current financial assets				
Derivatives contracts used for hedging	4.9	1.7		
Loans to related parties at amortized cost	0.2	0.2		
	5.1	1.9		

The Group has temporary capital investments in several managed funds. With regard to some of these funds, the Group is the majority shareholder and therefore consolidates these funds in the financial statements of the Group (see note 28. Related parties for further details). Consolidation of these funds leads to an additional added amount on debt securities of EUR 78.3 million (2023: EUR 24.1 million), a decrease in equity securities of EUR 54.5 million (2023: EUR 17.7 million), derivative financial instruments with a total notional amount of EUR 70.2 million and a negative fair value of EUR 0.3 million (2023: total notional amount of EUR 38.9 and a positive fair value of EUR 0.2 million), cash of EUR 3.4 million (2023: EUR 1.0 million) and other items of EUR 2.5 million (2023: EUR 1.1 million) being recognized in 2024. A corresponding amount of EUR 29.4 million (2023: EUR 8.7 million) is recorded as non-controlling interest.

14. Derivatives

EUR x million	Asset		Liability		Contract amount	
	2024	2023	2024	2023	2024	2023
At 31 December						
Forward currency – net investment hedging	1.0	0.5	-	1.5	177.9	178.9
Total derivatives used for hedge accounting purposes	**1.0**	**0.5**	**-**	**1.5**	**177.9**	**178.9**
Forward currency – fair value hedging	0.5	0.9	2.1	0.2	186.8	123.1
Credit derivatives – fair value hedging	-	0.1	-	0.0	-	3.0
Interest rate swaps – fair value hedging	0.0	0.0	0.1	0.0	2.1	1.1
Equity swaps – fair value hedging	0.1	-	-	-	9.9	-
Future contracts – fair value hedging	3.3	0.2	0.3	2.6	3.6	2.8
Total other derivatives	**3.9**	**1.2**	**2.5**	**2.8**	**202.4**	**130.0**
Total derivatives recognized in statement of financial position	**4.9**	**1.7**	**2.5**	**4.3**		

The Group hedges foreign currency conversion risk of net investments in foreign entities using forward currency contracts. At 31 December 2024, forward contracts with a notional amount of EUR 177.9 million (2023: EUR 178.9 million) and a net positive fair value of EUR 1.0 million (2023: negative fair value of EUR 1.0 million) were designated as net investment hedges. This resulted in an exchange gain of EUR 2.0 million for 2024 (2023: loss of EUR 4.0 million) that was taken to other comprehensive income to offset the change in the value of foreign investments also due to changes in foreign currency rates. There was no hedge ineffectiveness in the years ended at 31 December 2024 and 2023.

For the managed funds, the Group temporarily invested capital at the time of their inception in the local manager's currency, if needed. The Group used forward currency contracts with a notional amount of EUR 186.8 million (2023: EUR 123.1 million), interest rate swaps and credit derivatives with a notional amount of EUR 2.1 million (2023: EUR 4.1 million), an equity swap with a notional of EUR 9.9 million and future contracts with a notional amount of EUR 3.6 million (2023: EUR 2.8 million) to hedge the currency exposure, interest rate exposure and equity exposure resulting from these investments. The Group does not apply hedge accounting for these derivatives.

The table above provides the notional amounts and the positive and negative fair values of the Group's derivative transactions. All derivatives are held for hedge purposes.

15. Tax assets and liabilities

EUR x million	At 1 January 2024	Changes				At 31 December 2024
		Initial recognition	Income statement	Equity	Tax rate adjustments	
Deferred tax assets						
Net operating losses	8.9	-	0.4	-	-	9.3
Intangible assets	3.7	-	-0.8	-	-	2.9
Lease contract	0.8	-	-0.3	-	-	0.5
Pensions	0.1	-	-	-	-	0.1
Other employee benefits	2.4	-	-0.6	-	-	1.8
Lease liabilities	6.9	-	6.1	-	-	13.0
Other	0.3	-	-0.2	-	-	0.1
Total before offsetting	**23.1**	**-**	**4.6**	**-**	**-**	**27.7**
Offsetting deferred tax assets	-10.7					-15.8
Total after offsetting	**12.4**					**11.9**
Deferred tax liabilities						
Employee benefits	3.8	-	-0.9	-	-	2.9
Right of use assets	6.7	-	6.1	-	-	12.8
Pensions	0.2	-	-0.3	0.3	-	0.2
Total before offsetting	**10.7**		**4.9**	**0.3**	**-**	**15.9**
Offsetting deferred tax liabilities	-10.7					-15.8
Total after offsetting	**0.0**					**0.1**
	At 1 January 2023	Changes				At 31 December 2023
		Initial recognition	Income statement	Equity	Tax rate adjustments	
Deferred tax assets						
Net operating losses	6.5	-	2.4	-	-	8.9
Intangible assets	3.9	-	-0.2	-	-	3.7
Lease contract	1.1	-	-0.3	-	-	0.8
Pensions	0.1	-	-	-	-	0.1
Other employee benefits	2.7	-	-0.3	-	-	2.4
Lease liabilities	0.7	6.3	-0.1	-	-	6.9
Other	0.4	-	-0.1	-	-	0.3
Total before offsetting	**15.4**	**6.3**	**1.4**	**-**	**-**	**23.1**
Offsetting deferred tax assets	-4.8					-10.7
Total after offsetting	**10.6**					**12.4**
Deferred tax liabilities						
Employee benefits	4.2	-	-0.4	-	-	3.8
Right of use assets	0.6	6.3	-0.2	-	-	6.7
Pensions	0.1	-	-0.1	0.2	-	0.2
Total before offsetting	**4.9**	**6.3**	**-0.7**	**0.2**	**-**	**10.7**
Offsetting deferred tax liabilities	-4.8					-10.7
Total after offsetting	**0.1**					**0.0**

Unrecognized deferred tax assets

In 2024 we derecognized part of the deferred tax asset of EUR 2.8 million related to Dutch object exemption for foreign business profits due to closing of Robeco Miami branch, since the Dutch tax loss carry forward is limited to 50% of the taxable profits to the extent that these exceed EUR 1.0 million. The remaining carry-forward of net operating losses relates to other subsidiaries. Deferred tax assets were not recognized for the carry-forward of net operating losses totaling EUR 20.0 million (2023: EUR 9.0 million) due to limitations on carry-forward tax and future taxable profits. The deferred tax assets include an amount of EUR 3.2 million (2023: EUR 3.4 million) as a result of the merger of RIAM with Robeco Luxembourg in 2021 and this amount will be amortized in 10 years.

Recognition of deferred taxes on carry forward of net operating losses is based on management's judgment to the extent that the taxable profits are expected to arise in the future within the legal period for loss compensation. Management's judgment is based on profit forecasts which are based on a maximum time frame within which the strategy is established and approved. The profit forecasts indicate that it is probable that there will be future taxable profits against which the assets can be utilized.

Current tax assets and liabilities

Current tax receivable consists of corporate income tax of EUR 2.8 million (2023: EUR 2.3 million). The current tax payable consists of corporate income tax of EUR 13.2 million (2023: EUR 4.8 million). Income tax receivable and payable are not netted, as the Group has locations in different tax jurisdictions.

16. Trade and other receivables

EUR x million	2024	2023
Trade receivables	66.7	61.5
Accrued income	49.0	45.9
Prepayments	14.3	16.2
Balances due from brokers	4.8	11.3
Balances due from related parties	1.5	2.2
VAT receivable	1.1	0.6
Other	3.7	2.8
Total	**141.1**	**140.5**

Trade receivables mainly relates to fees from funds, which are collected without invoicing. Accrued income includes items yet to be invoiced, such as management, performance and service fees. The fair value of the trade and other receivables approximates the carrying amount due to their short-term character. No allowance for credit losses is recognized, these items have no history of non-performance.

17. Other financial assets

Other financial assets comprises the positive fair value of derivatives and short term loans see note 14. Financial assets under Current financial assets.

18. Cash and cash equivalents

EUR x million	2024	2023
Cash at banks and in hand	207.0	216.0
Short term deposits (cash equivalent)	6.4	19.3
Investments in money market funds	21.6	40.4
Total	**235.0**	**275.7**
Bank overdraft	-	-19.3
Cash and cash equivalents in consolidated statement of cash flows	*235.0*	*256.4*

To satisfy regulatory liquidity requirements of local supervisory bodies, the Group held EUR 25.4 million cash at banks as per 31 December 2024 (31 December 2023: EUR 31.1 million), which is therefore restricted. Cash at banks in Shanghai at 31 December 2024 EUR 4.1 million ((31 December 2023: EUR 5.8 million) is restricted due to cash export regulations.

Robeco Holding B.V. and Robeco Nederland B.V. operate a cash pool with a bank. In the cash pooling arrangement, both companies have own bank accounts, where the bank has a legal right of offset. Individual bank accounts in this cash pool have positive cash positions and others have overdrafts. The Group manages the pooling arrangement on a net basis and there is no overdraft possible at total cash pool level. For balance sheet presentation purposes, on 31 December 2023 the Group has determined that it did not satisfy the conditions in IAS 32 Financial Instruments: Presentation that are necessary to present the cash and overdraft positions on a net basis in the balance sheets. There was no bank overdraft position as per 31 December 2024.

19. Equity attributable to owner of the parent company

The share capital amounts to EUR 2 (2023: EUR 2), consisting of 2 shares with a nominal value of EUR 1 each, which is paid in full. The number of shares has not changed.

Shareholders are entitled to vote on a one-vote-per-share basis at the Company's shareholder meetings. In accordance with the proposal in the Integrated Annual Report 2023 a dividend equal to the net profit over 2023 of EUR 112.9 million is paid in May 2024 to the shareholder.

Capital management

The primary objective when managing capital is to monitor compliance with regulatory capital requirements of the Group and of its direct and indirect subsidiaries. Capital requirements are calculated and monitored per subsidiary, based on the applicable rules and regulations which differ per jurisdiction. Robeco's Risk Management department prepares quarterly reports to the ERMC (Enterprise Risk Management Committee) in which the risk capital per Robeco entity is compared to its available capital. For the Robeco Holding's largest subsidiaries RIAM, Robeco Switzerland, RIAM UK, Robeco Hong Kong and Robeco Singapore the relevant risks for capital (and liquidity) requirements are identified and re-assessed on annual basis in relation to the risk appetite statement and considering the implemented mitigating controls. In 2024, the capital requirements were met for each Robeco entity, at each relevant reporting date.

Group policy is to maintain 20% buffer above required capital.

EUR x million	Required capital	Available capital	Excess capital	Required liquidity	Available liquidity	Excess liquidity
Robeco Institutional Asset Management B.V.	99.4	135.4	36.0	24.8	90.0	65.2
Robeco Switzerland Ltd	10.8	25.6	14.8	1)		
Robeco Institutional Asset Management UK Limited	4.1	5.4	1.3	4.1	13.5	9.4
Robeco Hong Kong Ltd.	0.7	41.0	40.3	0.7	29.5	28.8
Robeco Singapore Private Limited	0.3	2.7	2.4	0.3	2.6	2.3

1) No regulatory liquidity requirement

20. Non-controlling interests

The total non-controlling interest as at 31 December 2024 amounted to EUR 29.4 million (2023: EUR 8.7 million), this relates to investment funds managed by the Group in which the Group holds an interest and are consolidated in the financial statements. See paragraph 'Consolidation' under material accounting judgments and estimates.

Movements in this item were as follows:

EUR x million	2024	2023
Balances at 1 January	**8.7**	**10.2**
Net result for the financial year	1.5	1.0
Change in third party assets and liabilities	19.2	-2.5
Balance at 31 December	**29.4**	**8.7**

21. Provisions

The maturity and amounts of the provisions are based on management's best estimate. Non-current provisions consist of the following items.

EUR x million	2024	2023
Reinstatement of leased property	1.3	1.4
Possible loss of income	1.6	1.6
Total	**2.9**	**3.0**
Non-current	*2.9*	*3.0*
Current	-	-

Reinstatement of leased property

The Group had a lease agreement with contractual obligations to return the property in its original condition. The Group recognized a provision for reinstatement costs in 2015. The provision was measured at the expected costs to be incurred to return the property to the lessor in its original state at the end of the lease. In 2024 an amount of EUR 0.1 million is released. As per 31 December 2024 no amounts were used.

Possible loss of income

The provision relates to the Group's estimate of the potential reimbursement to a particular group of clients for loss of income. Whether the Group will have to pay this reimbursement and the amount thereof is dependent on the outcome of certain legal proceedings to which the Group is not directly a party. As per 31 December 2024 no amounts were used.

EUR x million	Re-instatement of leased property	Possible loss of income	Total
Balance at 1 January 2024	**1.4**	**1.6**	**3.0**
Unused amounts reversed	-0.1	-	-0.1
Arising during the year	-	-	-
Utilized	-	-	-
Balance at 31 December 2024	**1.3**	**1.6**	**2.9**

22. Employee benefits

EUR x million	2024	2023
Pension assets	-1.1	-1.1
Other employee benefits non-current	15.3	18.7
Pension liability	-	-
Total	**14.2**	**17.6**

Other employee benefits consist mainly of long-term liabilities relating to R-CARs, a long-term incentive plan and employees' deferred variable income. The pension asset/liability relates to the pension scheme for employees of Robeco Schweiz AG, which qualifies as a defined benefit plan.

Defined benefit obligation

The amounts recognized as pension assets in the statement of financial position are determined as follows (note that there are potential reconciliation differences due to rounding):

EUR x million	2024	2023
Defined benefit obligation	-35.7	-33.8
Fair value of plan assets	36.8	34.9
Net asset/(liability)	**1.1**	**1.1**

Movements in the asset/liability recognized in the statement of financial position were as follows:

EUR x million	2024	2023
Balances at 1 January	**1.1**	**0.4**
Total Group expense	-3.0	-1.8
Actual employer contributions	1.5	1.6
Remeasurements recognized in OCI	1.5	0.9
Balance at 31 December	**1.1**	**1.1**

Movements in the defined benefit obligation were as follows:

EUR x million	2024	2023
Balances at 1 January	**33.8**	**30.0**
Net service cost	1.9	1.8
Past service cost	1.1	-
Interest expense	0.5	0.7
Benefits deposited/paid	-2.3	-1.7
Contributions by participants	0.9	0.9
Actuarial gains and losses	0.1	0.5
Foreign exchange differences	-0.3	1.6
Balance at 31 December	**35.7**	**33.8**

Movements in the fair value of the plan assets were as follows:

EUR x million	2024	2023
Balances at 1 January	**34.9**	**30.4**
Actual return on plan assets	1.6	1.4
Interest income	0.5	0.7
Actual employer contributions	1.6	1.6
Contributions by participants	0.9	0.9
Benefits deposited/paid	-2.4	-1.7
Foreign exchange differences	-0.2	1.6
Balance at 31 December	**36.9**	**34.9**

The amounts recognized in the income statement are as follows:

EUR x million	2024	2023
Service costs	1.9	1.8
Past service cost	1.1	-
Net interest on the net Defined benefit liability/(asset)	-	-
Employee benefits expense	**3.0**	**1.8**

Plan assets
Plan assets comprise the following plan assets classes:

EUR x million	2024	2023
Quoted market price		
Cash and cash equivalents	1.7	1.5
Equity instruments	9.1	8.2
Debt instruments (e.g. bonds)	12.2	11.8
Real estate	3.2	2.7
Investment funds	3.4	3.1
Others	1.3	1.4
	30.9	**28.7**
Non-quoted market price		
Cash and cash equivalents	0.0	-
Equity instruments	1.0	0.6
Debt instruments (e.g. bonds)	1.8	2.1
Real estate	3.2	3.5
	6.0	**6.2**
Total plan assets at fair value	**36.9**	**34.9**

Actuarial assumptions
The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2024	2023
Discount rate	0.95%	1.45%
Interest rate for projecting savings capital	0.95%	1.45%
Long-term expected rate of salary increase	1.50%	1.50%
Rate of pension increase	0.00%	0.00%
Disability rates	85% of BVG 2020	85% of BVG 2020

Sensitivity analysis

	2024	2023
DBO at 31 December with DR -0,25%	37.2	35.2
DBO at 31 December with DR +0,25%	34.3	32.6
DBO at 31 December with IR -0,25%	35.2	33.3
DBO at 31 December with IR +0,25%	36.3	34.4
DBO at 31 December with SI -0,25%	35.7	33.8
DBO at 31 December with SI +0,25%	35.8	33.9
DBO at 31 December with life expectancy +1 year	36.3	34.3
DBO at 31 December with life expectancy -1 year	35.1	33.4
SC of next year with DR +0,25%	1.9	1.8
SC of next year with IR +0,25%	2.1	1.9

Legend
DBO = Defined Benefit Obligation
SC = Service costs (employer)
DR = Discount Rate
IR = Interest Rate on retirement savings capital
SI = Future salary increases

23. Long-term loan granted by related party

The long-term loan relates to a financing agreement with OCE granted on 1 October 2024 for the financing of certain seed capital positions. The loan is repayable at 1 October 2027 and bears a fixed market interest rate, of 3.78% referred to the 3 years EUR swap rate plus a spread.

24. Financial liabilities

EUR x million	2024	2023
Forward exchange contracts used for hedging	2.1	1.7
Future contracts used for hedging	0.3	2.6
Interest rate contracts used for hedging	0.1	0.0
Total	2.5	4.3

The Group holds certain derivative positions to hedge the foreign exchange risk, market risk and interest rate risk resulting from the Group's seeding positions.

25. Trade and other payables

EUR x million	2024	2023
Creditors	6.4	2.1
Employee benefits obligation	80.0	78.4
Accrued expenses payable	69.5	55.2
Payables to related parties	14.1	5.3
Social security tax	5.2	8.0
VAT payable	4.0	4.0
Other non-financial liabilities	1.6	1.7
Total	180.9	154.7

Employee benefits obligation includes EUR 0.4 million (2023: EUR 0.4 million) related to pension arrangements which qualify as defined contribution plans.

Employee benefits obligation consist mainly of short-term liabilities relating to R-CARs, an incentive plan, employees' deferred variable income and current year incentive liabilities.

26. Contingent assets and liabilities

Contingent assets

The amount of accrued carried interest, which is not yet distributed by the Investee Funds, is to be marked as a contingent asset of EUR 3.6 million as per 31 December 2024 (as per 31 December 2023: EUR 5.3 million). The final amount of the carried interest to be distributed by the Investee Funds may be significantly different from the amount earlier marked as contingent assets.

On 21 April 2022, the Belgian High Court ruled that Belgium is not entitled to levy Belgian subscription tax for the Dutch Robeco Investment funds registered and distributed in Belgium. The ruling of the Belgian High Court applies to the assessment years 2008-2014.

For the tax assessment years after 2014 refunds have been filed to reclaim back the Belgian annual subscription tax of EUR 0.4 million for Dutch Robeco investment funds. It remains uncertain whether these will be granted to the Company. Given the uncertain outcome of the legal proceedings this reclaim is marked as a contingent asset.

Commitments

Future minimum payments for IT services are as follows:

EUR x million	2024	2023
Less than one year	21.7	22.3
Between one and five years	34.7	32.8
More than five years	-	-
Total	56.4	55.1

Employee benefits
Up to and including 2024, the Group has awarded Cash Appreciation Rights (R-CARs) as part of its Long-Term Incentives to a number of employees. They constitute a future cash entitlement, depending on the respective value and profitability of the Group. The entitlement is subject to certain vesting requirements. The total amount consists of the notional value of R-CARs awarded as part of the long-term incentive plan, as well as the notional value of R-CARs resulting from a mandatory conversion of deferred cash compensation. The notional value amounted to EUR 30.3 million at 31 December 2024 (31 December 2023: EUR 33.9 million).

Capital commitments
Stichting Robeco Funds ("SRF") is the holding of cash for the purpose of facilitating the purchase and sale of participation rights in investment institutions managed by a manager belonging to the Robeco Group. SRF acts as facilitator for the cash flows of these investment institutions for the account and risk of such investment institutions, exclusively in the interests of the participants or shareholders. The Group has issued a guarantee in which the Group commits itself to cover the credit default risk relating to the collection accounts of Stichting Robeco Funds.

Investments
Robeco Holding B.V. has at 31 December 2024 a fund commitment of EUR 10.0 million (31 December 2023: EUR 10.0 million) to Stafford European Private Equity V CV (SEPE V) fund (formally known as Robeco Private Equity European Mid Market IV C.V.) of which at 31 December 2024 a total of EUR 9.9 million (2023: EUR 9.6 million) has been drawn down.

Guarantees
The Group has irrevocable credit facilities related to guarantees of EUR 0.2 million (2023: EUR 0.2 million).

27. Financial risk management objectives and policies
The Group is exposed to several financial risk types which are detailed in this paragraph. For these risk types policies and, where relevant, limits are in place which are subject to approval by the Enterprise Risk Management Committee (ERMC) and endorsed by the Audit & Risk Committee. In addition to this Robeco subsidiaries are monitored that risk management policies and frameworks are in place which comply with local regulations. The financial risk types are discussed below. The Group is not directly exposed to financial risks in client portfolios.

The Group applies various indicators for assessing financial performance. The use of these indicators is part of the strategic capital allocation process, enabling the Group to improve the quality of its decision-making. This process entails the use of models for individual risk types. These models express risk in terms of risk capital. Risk capital relates to the total size of the capital buffer that is necessary to absorb unexpected losses from business activities of the entities. It addresses the key volatilities that could impact financial performance. In determining risk capital, the Group distinguishes between financial risk types (counterparty credit risk and market risk) and non-financial risk types (operational risk and business risk). As the holding Group of various asset managers, the Group is not directly exposed to market and credit risks in client portfolios. The Group does have exposure to market risk in the context of seeding positions in funds of the entities. Risk capital requirements for credit risk or counterparty risk are a consequence of cash and over the counter (OTC) positions in the Group's statement of financial position. OTC derivatives are in place to hedge foreign exchange risk and market risk of items in the statement of financial position.

It is acknowledged that both operational risk and business risk are not easy to influence in the short term. For these risk types, policies and, where relevant, limits are in place which are subject to approval by the Management Board of the Group, monitored by the risk function.

Counterparty credit risk
Counterparty credit risk is the risk of financial loss to the Group if customers or counterparties to a financial instrument fail to meet their contractual obligations. This risk arises primarily from the Group's cash position, management fees and other third parties' revenues and related trade receivables, balances due from brokers, balance due from the Group's related parties and OTC (over the counter) derivatives positions. The OTC derivatives are in place to hedge the exchange risk in the Group's statement of financial position items. The Group applies a standardized approach to calculate the capital requirements for counterparty credit risk in line with the regulatory requirements that would apply to an asset management Group.

As the Group manages assets on behalf of clients and funds and management fees are typically charged to and paid from the underlying funds managed by the Group, there is a very low credit risk of default on management fees and other third parties' revenues and related trade receivables, who do not have a history of non-performance.
For banks, money market funds and financial institutions, only independently rated parties with a minimum rating of 'A-' are accepted. In case eligible counterparties are not available in certain countries ERMC approves these counterparties on an individual basis, with a maximum exposure threshold. The Group also has loans and other current account positions with related parties.

The following measures are in place to manage the Group's counterparty risk exposure:
- a limit on the amount of capital allocated to credit risk combined with exposure controls per counterparty related to the total equity of Robeco Holding B.V.;
- counterparty (for cash and OTCs) selection is based on minimum creditworthiness of the counterparty, with creditworthiness being monitored on a daily basis; and
- for most counterparties ISDA and CSA for OTC transactions is in place to ensure collateralization is performed and counterparty risk is mitigated.

The next table shows the maximum exposure to credit risk for the items included in the statement of financial position, including derivative financial instruments.

EUR x million	Notes	2024	2023
ASSETS			
Financial assets			
Financial assets at fair value through profit or loss	*13*	*167.9*	*92.7*
Non-current assets		**167.9**	**92.7**
Other financial assets			
Loans to related parties	*13*	*0.2*	*0.2*
Derivative financial instruments	*14*	*4.9*	*1.7*
Trade and other receivables	16	125.8	123.6
Cash and cash equivalents	18	235.0	275.7
Current assets		**365.9**	**401.2**
Total maximum credit risk exposure		**533.8**	**493.9**

The amounts shown above represent the current credit risk exposure. Where financial instruments are measured at fair value, the maximum risk exposure that could arise in the future as a result of changes in values is not presented.

Risk concentrations for maximum exposure to counterparty risk
At 31 December 2024, the maximum credit exposure to one client or counterparty was EUR 80.7 million on Rabobank Utrecht in the category financial institutions (31 December 2023: EUR 50.5 million).

Interest rate risk
The Group's main interest risk arises from cash at banks and money market mutual funds with variable rates, which expose the Group to cash flow interest rate risk. Please refer to Liquidity risk and Market risk for more details.

Sensitivity analysis
At 31 December 2024, if market interest rates had been 100 basis points higher with all other variables held constant, then the net result would have been EUR 2.2 million higher (2023: EUR 0.9 million) and if market interest rates had been 100 basis points lower with all other variables held constant, then the net result would have been EUR 2.2 million lower (2023: EUR 0.9 million).

Liquidity risk
Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. Separate from the risk function, the liquidity of the Group and its asset management entities is monitored by the Group's Finance department on a regular basis, so that cash positions and required exposure can be optimized when necessary. The Finance department manages the cash pools, and cash and cash equivalents, in line with the minimum capital requirements on an entity level. Cash and cash equivalents balances are reported to the ERMC on a regular basis. The table on the next page summarizes the maturity profile of the Group's financial assets and liabilities as at 31 December. Equity securities are classified under 'No maturity'.

EUR x million	On demand		Up to 1 year		1-5 years		More than 5 years		No maturity		Total	
At 31 december	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**	**2024**	**2023**
Financial assets at fair value through profit or loss	-	-	22.4	6.0	21.9	7.4	33.9	10.7	119.1	77.3	197.3	101.4
Non-current assets	**-**	**-**	**22.4**	**6.0**	**21.9**	**7.4**	**33.9**	**10.7**	**119.1**	**77.3**	**197.3**	**101.4**
Loans to related parties	-	-	-	-	-	-	-	-	0.2	0.2	0.2	0.2
Derivative financial instruments	-	-	4.9	1.6	-	0.1	-	-	-	-	4.9	1.7
Trade and other receivables		-	125.8	123.7	-	-	-	-	-	-	125.8	123.7
Cash and cash equivalents	235.0	275.7	-	-	-	-	-	-	-	-	235.0	275.7
Current assets	**235.0**	**275.7**	**130.7**	**125.3**	**-**	**0.1**	**-**	**-**	**0.2**	**0.2**	**365.9**	**401.3**
Total financial assets	**235.0**	**275.7**	**153.1**	**131.3**	**21.9**	**7.5**	**33.9**	**10.7**	**119.3**	**77.5**	**563.2**	**502.7**
Total non-derivative financial assets	*235.0*	*275.7*	*148.2*	*129.7*	*21.9*	*7.4*	*33.9*	*10.7*	*119.3*	*77.5*	*558.3*	*501.0*
Non-current liabilities	**-**	**-**	**-**	**-**	**20.0**	**-**	**-**	**-**	**-**	**-**	**20.0**	**-**
Bank overdraft	-	19.3	-	-	-	-	-	-	-	-	-	19.3
Derivative financial instruments	-	-	2.5	4.3	-	-	-	-	-	-	2.5	4.3
Trade and other payables	-	-	171.7	142.7	-	-	-	-	-	-	171.7	142.7
Current liabilities	**-**	**19.3**	**174.2**	**147.0**	**-**	**-**	**-**	**-**	**-**	**-**	**174.2**	**166.3**
Total financial liabilities	**-**	**19.3**	**174.2**	**147.0**	**20.0**	**-**	**-**	**-**	**-**	**-**	**194.2**	**166.3**
Total non-derivative financial liabilities	*-*	*19.3*	*171.7*	*142.7*	*20.0*	*-*	*-*	*-*	*-*	*-*	*191.7*	*162.0*
Net financial assets/liabilities	**235.0**	**256.4**	**-21.1**	**-15.7**	**1.9**	**7.5**	**33.9**	**10.7**	**119.3**	**77.5**	**369.0**	**336.4**

In accordance with the Group's policy, the liquidity position is assessed and managed under a variety of scenarios, taking stress factors into consideration relating to both the market in general and to the Group in particular. For certain derivative contracts, the Group has to fulfill specific margin requirements. These collaterals are deposited on specific accounts provided by the counterparty to these contracts. The margin calls are presented in the financial statement under 'Balances due from brokers'. The Group has not pledged part of its cash and cash equivalents in order to fulfill the collateral requirements for the derivatives contracts. Working capital is monitored on a daily basis to ensure that settlement terms of forthcoming collateral calls can be met.

Currency risk

The Group is exposed to the impact of fluctuations in the prevailing foreign currency rates on its financial position and cash flows. The Group's exposure relates primarily to the revenue to be received and expenses to be paid denominated in foreign currency and the net investments in subsidiaries. The Group's main foreign currency exposure is in Swiss francs and Hong Kong Dollars due to investment in an entity established in Switzerland and Hong Kong. This exposure is largely hedged with a forward currency contract which is designated as a net investment hedge. The Group has other foreign currency exposure in US Dollars and British pounds but these exposures are lower than the hedging limits for these currencies.

The Group sets limits on the level of exposure by currency and in total, which are monitored on a monthly basis by the Finance department for non-trading currency exposures as part of managing translation risks as detailed in note 13 Financial assets. As the Group uses exchange contracts such as forward contracts to hedge its currency risk, there were no significant exposures in foreign currencies at the reporting date.

Sensitivity analysis

At 31 December 2024, if Dollar to Euro exchange rate had increased by 5% with all variables held constant, net result and equity would have been higher for EUR 4.0 million respectively EUR 9.6 million (2023: EUR 3.8 million and EUR 2.5 million).

As at 31 December 2023, if GBP to Euro exchange rate had increased by 5% with all variables held constant, net result and equity would have been lower for EUR 1.0 million respectively EUR 5.4 million lower (2023: EUR 0.6 million higher and EUR 0.6 million lower).

Market risk

Market risk relates to the Group's seeding positions. As a holding Group of several asset management companies, the Group is committed to supporting the product development of its operating subsidiaries.

The Group is responsible for the day-to-day management of its seeding portfolio and monitors if its seeding positions and hedges on a total level are still within the agreed limits.

The following measures are in place to limit or mitigate the Group's market risk exposure:

1. Seeding is meant to provide temporary capital and positions are kept as small as possible in the context of building track records, alignment of interest with clients and efficient portfolio management;
2. a limit on the amount of risk capital allocated to market risk is in place;
3. the Group applies notional exposure controls per group entity and per position; and
4. in principle, price risk and foreign exchange risk in these positions is hedged.

Fair values of financial assets and liabilities

The table below represents the fair value of financial instruments, including those not reflected in the financial statements at fair value.

EUR x million	Carrying amount		Fair value	
	2024	2023	2024	2023
Financial assets at fair value through profit or loss	197.3	101.4	197.3	101.4
Non-current assets	**197.3**	**101.4**	**197.3**	**101.4**
Loans to related parties	0.2	0.2	0.2	0.2
Derivative financial instruments	4.9	1.7	4.9	1.7
Trade and other receivables	125.8	123.7	125.8	123.7
Cash and cash equivalents	235.0	275.7	235.0	275.7
Current assets	**365.9**	**401.3**	**365.9**	**401.3**
Long-term loan granted by related party	20.0	-	20.0	-
Non-current liabilities	**20.0**	**-**	**20.0**	**-**
Bank overdraft	-	19.3	-	19.3
Derivative financial instruments	2.5	4.3	2.5	4.3
Trade and other payables	171.7	142.7	171.7	142.7
Current liabilities	**174.2**	**166.3**	**174.2**	**166.3**

The fair value of trade and other receivables approximate their carrying amounts largely due to short-term maturities. With respect to financial instruments carried at fair value, market prices or rates are used to determine the fair value where an active market exists (such as a recognized stock exchange), as it is the best evidence of the fair value of a financial instrument. If no active market price or rate is available, fair values are estimated using present value or other valuation techniques, using inputs based on market conditions existing at the reporting dates.

The values derived from applying these techniques are significantly affected by the choice of valuation model used and the underlying assumptions made concerning factors such as the amounts and timing of future cash flows, discount rates, volatility and credit risk.

The following methods and assumptions have been applied in determining the fair values of the financial instruments presented in the table on the previous page, both for financial instruments carried at fair value and those carried at cost (for which fair values are provided as a comparison):

1. Financial assets and liabilities at fair value and derivative financial instruments are measured at fair value by reference to quoted market prices. If quoted market prices are not available, the fair value is estimated on the basis of appropriate discounted cash flow models and option valuation models.
2. Given the short maturity, the Group assumes that the carrying amount of the financial instruments such as short-term trade receivables and payables, and cash and cash equivalents, is a reasonable approximation of fair values.

The table on the this page presents the valuation methods used to determine the fair values of financial instruments carried at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

EUR x million	Level 1		Level 2		Level 3		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
Financial assets at fair value through profit or loss:								
Equity securities	100.0	50.5	5.2	13.0	13.9	13.8	119.1	77.3
Corporate debt securities	23.7	8.4	11.9	8.9	-	-	35.6	17.3
Sovereign debt securities	12.4	5.9	30.2	0.9	-	-	42.6	6.8
Derivative financial instruments:								
Forward currency contracts	-	-	1.5	1.4	-	-	1.5	1.4
Future contracts	3.3	0.2	-	-	-	-	3.3	0.2
Credit derivatives	-	-	-	0.1	-	-	-	0.1
Equity swaps	-	-	0.1	-	-	-	0.1	-
Interest rate swaps	-	-	0.0	0.0	-	-	0.0	0.0
Financial assets	**139.4**	**65.0**	**48.9**	**24.3**	**13.9**	**13.8**	**202.2**	**103.1**
Derivative financial instruments:								
Forward currency contracts	-	-	2.1	1.7	-	-	2.1	1.7
Future contracts	0.3	2.6	-	-	-	-	0.3	2.6
Interest rate swaps	-	-	0.1	0.0	-	-	0.1	0.0
Financial liabilities	**0.3**	**2.6**	**2.2**	**1.7**	**-**	**-**	**2.5**	**4.3**

Valuation techniques:

Level 1. Quoted market prices in active markets
Level 2. Market observable inputs
Level 3. Uses unobservable market data

Fair value techniques

Financial assets at fair value through profit or loss – level 3	SEPE V is a fund of private equity funds. The managers of portfolio companies use fair value and their valuations are audited. These fair values are the basis for SEPE V reporting. No individual investment's fair value at year-end is supposed to be larger than 20% of the total portfolio fair value. Current concentrations can be higher than the initial limits for asset concentration due to performance of investee funds.
Forward currency contracts – level 2	Forward currency contracts are OTC contracts and are not traded on an exchange. Valuation is based on a valuation model that incorporates inputs that are market observable. Most important factor in the model is the exchange rate. Foreign currency rates are quoted daily in financial publications and electronic financial databases.
Future contracts – level 1	Index futures and bond futures are exchange traded forward contracts. Quoted prices in an active market are available daily for these future contracts.
Credit derivatives – level 2	Credit derivative contracts are OTC contracts and are not traded on an exchange. Valuation is based on a valuation model that incorporates inputs that are observable. Most important factor is the credit default rate. Credit default rates are quoted daily in financial publications and electronic financial databases.
Equity swaps – level 2	An equity swap is a financial derivative contract (a swap) where a set of future cash flows are agreed to be exchanged between two counterparties at set dates in the future. The two cash flows are usually referred to as "legs" of the swap; one of these "legs" is usually pegged to a floating rate such as LIBOR. This leg is also commonly referred to as the "floating leg". The other leg of the swap is based on the performance of either a share of stock or a stock market index.

Transfers between levels

No transfers took place between levels in 2024 and 2023.

Movements in Level 3 financial instruments measured at fair value

The level of fair value hierarchy of financial instruments is determined at the end of each period. The following table shows the reconciliation between the opening and closing amounts of Level 3 financial assets and liabilities which are recorded at fair value.

EUR x million

	At 1 January 2024	Total gains/ losses recorded in income statement	Purchases	Sales/ dividend	Transfer to/from investments in associates	Transfers to Level 1 and Level 2	Transfers from Level 1 and Level 2	At 31 December 2024
Financial assets at fair value through profit or loss:								
Equity securities	*13.8*	*0.3*	*0.2*	*-0.4*	*-*	*-*	*-*	*13.9*
Total Level 3 Financial assets	13.8	0.3	0.2	-0.4	-	-	-	13.9

	At 1 January 2023	Total gains/ losses recorded in income statement	Purchases	Sales/ dividend	Transfer to/from investments in associates	Transfers to Level 1 and Level 2	Transfers from Level 1 and Level 2	At 31 December 2023
Financial assets at fair value through profit or loss:								
Equity securities	*12.5*	*1.3*	*0.2*	*-0.2*	*-*	*-*	*-*	*13.8*
Corporate debt securities	*0.2*	*-*	*-*	*-0.2*	*-*	*-*	*-*	*-*
Total Level 3 Financial assets	12.7	1.3	0.2	-0.4	-	-	-	13.8

28. Related parties

The following subsidiaries are currently included in the consolidated financial statements:

Name	Country of incorporation	% equity interest	
		2024	2023
Robeco Institutional Asset Management B.V.	Netherlands	100%	100%
Robeco Deutschland, Zweigniederlassung der RIAM -branch office	Germany	100%	100%
Robeco Institutional Asset Management B.V., Sucursal en España -branch office	Spain	100%	100%
Robeco United Kingdom -branch office*	United Kingdom	0%	100%
Robeco Italy -branch office	Italy	100%	100%
Robeco Nederland B.V.	Netherlands	100%	100%
Robeco Indices B.V.	Netherlands	100%	100%
Robeco Schweiz AG	Switzerland	100%	100%
SAM Sustainable Asset Management AG	Switzerland	100%	100%
Robeco France S.A.S.	France	100%	100%
Ro-Boetie S.A.S.	France	100%	100%
RSSLF GP S.à.r.l.**	Luxembourg	0%	100%
Robeco Miami B.V.	Netherlands	100%	100%
Robeco Miami -branch office***	United States	0%	100%
Robeco Institutional Asset Management US Inc.	United States	100%	100%
Robeco Middle East (DIFC branch)	Netherlands	100%	100%
Robeco Hong Kong Ltd.	Hong Kong	100%	100%
Robeco Hong Kong Ltd. Rep Office Australia	Hong Kong	100%	100%
Robeco Private Fund Management (Shanghai) Co., Ltd.	China	100%	100%
Robeco Overseas Investment Fund Management (Shanghai) Limited Company	China	100%	100%
Robeco Japan Company Limited	Japan	100%	100%
Robeco Singapore Private Limited	Singapore	100%	100%
Robeco Institutional Asset Management UK Limited	United Kingdom	100%	100%

* Robeco United Kingdom -branch office was closed on 1 October 2024, business and assets are sold to Robeco Institutional Asset Management UK Limited.
** Liquidated on 9 December 2024.
*** Robeco Miami -branch office was closed on 1 October 2024.

The following funds, temporarily controlled by the Group due to seed capital activities, are/were included in the consolidated financial statements:

Name	Country of incorporation	% equity interest	
		2024	2023
Robeco QI US Sustainable Beta Equities Fund	Luxembourg	0%	58%
Robeco Quantum Equities	Luxembourg	100%	100%
Robeco QI European Value Equities	Luxembourg	66%	59%
Robeco Sustainable China Equities Private Fund	China	0%	100%
Robeco QI Multi Factor Absolute Return IH USD	Luxembourg	0%	100%
Robeco Transition Asian Bonds[1]	Luxembourg	100%	100%
Robeco Biodiversity Equities	Luxembourg	53%	79%
Robeco QI Global SDG and Climate Multi-factor Credits	Luxembourg	100%	100%
Robeco Quantitative Sustainability China Equity Private Equity Fund	China	100%	90%
Robeco Fashion Engagement Equities	Luxembourg	100%	90%
Robeco Incubator Fund I EUR F	Netherlands	100%	100%
Robeco Incubator Fund II EUR F	Netherlands	100%	100%
Robeco Incubator Fund III EUR F	Netherlands	100%	100%
Robeco Quantum Market Neutral Equities	Luxembourg	100%	100%
Robeco Emerging Markets ex China Equities	Luxembourg	97%	100%
Robeco Gravis Digital Infrastructure Income	Luxembourg	100%	0%
Robeco EURO SDG Short Durations Bonds	Luxembourg	100%	0%
Robeco High Income Green Bonds	Luxembourg	96%	0%
Robeco Emerging Markets Climate Transition Equities	Luxembourg	100%	0%
Robeco Transition Asian Equities	Luxembourg	100%	0%
Robeco Flexible Allocation	Luxembourg	100%	0%
Robeco Emerging Markets Bonds	Luxembourg	100%	0%
Robeco Emerging Markets Bonds Local Currency	Luxembourg	100%	0%
Robeco 3D Global Equity UCITS ETF	Ireland	35%	0%
Robeco 3D European Equity UCITS ETF	Ireland	50%	0%
Robeco 3D US Equity UCITS ETF	Ireland	53%	0%
Robeco Dynamic Theme Machine UCITS ETF	Ireland	54%	0%

In addition to these subsidiaries, the following related parties can be identified:

- Management Board
- ORIX and entities under the common control of ORIX
- Stichting Pensioenfonds Robeco
- Stichting Robeco Funds
- Stichting Custody Robeco Institutional
- Stichting Deelnemingen Robeco Groep
- Stichting Sociaal Fonds Robeco Groep
- Stichting The Robeco Foundation
- Canara Robeco Asset Management Company Ltd. (Canara)

1. In 2024 the fund changed her name from Robeco Sustainable Asian Bonds into Robeco Transition Asian Bonds

Related party transactions

Terms and conditions

All transactions between related parties are made at arm's length market prices. Outstanding receivables or payables at year-end are unsecured and interest-free, with settlement being in cash. The Group has not formed a provision for doubtful debts relating to amounts owed by related parties (2023: nil), because the risks involved are not considered material enough to do so. This assessment is made each year by examining the financial position of the related party and the market in which the party operates.

EUR x million	OCE*		Canara		Others	
	2024	2023	2024	2023	2024	2023
Income statement regarding related parties						
Operating income	-43.6	-45.1	-1.8	-0.8	-	-
Operating expenses	-	0.0	-	-	14.6	13.5
Operating result	**-43.6**	**-45.1**	**-1.8**	**-0.8**	**-14.6**	**-13.5**
Interest expense	0.2	-	-	-	-	-
Result before tax	**-43.8**	**-45.1**	**-1.8**	**-0.8**	**-14.6**	**-13.5**

Operating expenses in 'Other' consist of expenses paid to Stichting Pensioenfonds Robeco relating to long-term employee benefits. The table above shows the total income and expenses with the aforementioned related parties for the relevant year.

EUR x million	OCE*		Canara		Others	
	2024	2023	2024	2023	2024	2023
Outstanding balances at 31 December						
Amounts receivable	1.8	2.6	-	-	-	-
Amounts payable	-34.0	-5.3	-0.3	-0.2	-0.2	-3.4
Total outstanding balances	**-32.2**	**-2.7**	**-0.3**	**-0.2**	**-0.2**	**-3.4**

* Refers to OCE and its subsidiaries.

Remuneration of Management Board
At the end of 2024, the Management Board of Robeco Holding had 3 members.

The total base salary and variable remuneration payments paid by the Group to members of the Management Board in 2024 amounted to EUR 4.0 million (2023: EUR 3.6 million). The employee benefits expense for the same amounted to EUR 4.9 million in 2024 (2023: EUR 4.3 million). The amounts disclosed in the table below are amounts recognized as an expense during the reporting period related to the current members of the Management Board. The expenses include deferred variable remuneration from previous years.

EUR x thousand	2024	2023
Base salary[1]	1,902	1,831
Variable remuneration (short- and long-term components)[2]	2,510	2,082
Pension costs and other costs[3]	451	435
Total	**4,863**	**4,348**

1. Includes vacation allowance and amounts are before (wage)tax and social contributions.
2. Relating to deferred variable remuneration, the projected costs are taken into account during the period of the applicable deferral schemes (five years) during employment. All amounts are before (wage)tax and social security contributions.
3. Includes social-security costs, social allowance, car lease and other allowances. All amounts are before (wage)tax and social security contributions.

The total variable remuneration granted to the current members of the Management Board during their employment at Robeco in 2024 amounted to EUR 2.7 million (2023: EUR 2.4 million). In general, if the awarded amount of variable income exceeds a threshold, it is partially paid out over several years. The annualized base salary of the current members of the Management Board at year end amounted to EUR 1.9 million (2023: EUR 1.9 million) for the services related to Robeco.

Remuneration of Supervisory Board
The total remuneration for the members of the Supervisory Board amounted to EUR 0.5 million (2023: EUR 0.4 million).

29. Appropriation of result
For the reporting period 2024 the Company proposes EUR 115.0 million (EUR 57.5 million per share) to be declared as dividend. This comprises the Company's net result for the year.

30. Subsequent events
No events or transactions subsequent to 31 December 2024 have been identified that require recognition or disclosure in these financial statements.

Notes to the consolidated statement of cash flows

The statement of cash flows is prepared using the indirect method. It distinguishes between cash flows from operating, investing and financing activities.

31. Net cash flows from operating activities

An adjustment to the operating result for the effects of non-cash items such as the depreciation of property, plant and equipment and the amortization of intangible assets is made. The results on financial assets relate to gains and losses from financial instruments at fair value through profit and loss following seed capital investments.

In 2023 other movements from operations EUR -17.5 million relate to the purchase price of EUR 20 million, goodwill disposal of EUR 0.9 million and direct costs of EUR 1.6 million related to the transfer of Robeco's online distribution platform (see note 12. Sale of business).

Interest received relates to amounts received on the current accounts of the Group.

32. Net cash flows from investing activities

Purchases and sales of property, plant and equipment and financial assets are based on the consolidated purchase and selling prices. Deferred payments on the purchases and sales are recorded as movements in working capital (short-term payments) or under long-term liabilities for the payment obligations due after more than one year.

In 2023 proceeds from sale of other intangible assets EUR 18.4 million relates to the purchase price of EUR 20 million and direct costs of EUR 1.6 million related to the transfer of Robeco's online distribution platform (see note 12. Sale of business).

Intangible assets relate to capitalized software.
In general, movements in the purchase and proceeds of financial assets are a direct consequence of the Group's seed capital activities.

33. Net cash flows from financing activities

Dividends paid relate to the appropriation of profit after tax to the shareholder.

Rotterdam, 24 April 2025

The Management Board:
Karin van Baardwijk
Mark den Hollander
Marcel Prins

Supervisory Board:
Maarten Slendebroek
Sonja Barendregt - Roojers
Stanley Koyanagi
Mark Talbot

Company financial statements 2024

Company income statement

for the year ended 31 December

EUR x million	Notes	2024	2023
Share in results from participating interests after tax	37	115.8	114.1
Other results after tax	38	-0.8	-1.2
Result for the year		**115.0**	**112.9**

Company balance sheet

at 31 December before profit appropriation

EUR x million	Notes	2024	2023
ASSETS			
Goodwill	40	108.8	109.5
Participating interests in group companies	41	362.5	340.9
Financial assets	42	173.5	95.1
Non-current assets		**644.8**	**545.5**
Receivables from group companies		3.5	0.2
Other financial assets		7.8	11.3
Cash and cash equivalents	43	25.4	7.2
Current assets		**36.7**	**18.7**
Total assets		**681.5**	**564.2**
EQUITY AND LIABILITIES			
Equity			
Issued capital		0.0	0.0
Share premium		4.8	4.8
Foreign currency translation reserve		12.0	8.3
Retained earnings		314.5	313.4
Unappropriated result financial year		115.0	112.9
Total shareholder's equity	44	**446.3**	**439.4**
Long-term loan granted by related party	23	20.0	-
Non-current liabilities		**20.0**	**-**
Financial liabilities		1.6	4.0
Bank overdrafts		-	2.3
Payables due to group companies	45	204.6	118.0
Current tax liabilities		9.0	0.5
Current liabilities		**215.2**	**124.8**
Total liabilities		**235.2**	**124.8**
Total equity and liabilities		**681.5**	**564.2**

Notes to the company financial statements

34. General accounting policies
The Company uses the option provided in Article 2:362, Paragraph 8, Dutch Civil Code to set the principles for the recognition and measurement of assets and liabilities and the determination of the result for its Company financial statements. This means that the principles for the recognition and measurement of assets and liabilities and determination of the result of the Company financial statements of Robeco Holding are the same as those applied for the consolidated IFRS-EU financial statements. Investments in subsidiaries are accounted for at net asset value which comprises the cost, excluding goodwill, of the Company's share in the net assets of the subsidiaries. Goodwill is presented separately under the net equity value method. Participating interests over which significant influence is exercised are stated on the basis of the equity method. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (IFRS-EU) and with Part 9 of Book 2 of the Dutch Civil Code. Reference is made to Pages 132 to 146 for a description of these principles.

35. Basis of preparation
The financial statements are presented in euros, which is the functional currency of the Company, rounded to the nearest million (unless otherwise stated). As the Company's income statement for 2024 is included in the consolidated financial statements, a summary income statement is sufficient to comply with the provisions of Article 2:402 Dutch Civil Code. For more detailed information, please refer to the section 'Basis of consolidation' drawn up for the consolidated statement of financial position and income statement of Robeco Holding B.V. According to Dutch law, a cash flow statement is not required in the Company financial statements of Robeco Holding, since the cash flows are included in the consolidated statements of cash flows of Robeco Holding.

36. Income tax
Robeco Holding is part of a fiscal unity for Dutch corporate income tax purposes headed by ORIX Corporation Europe N.V. within the meaning of the Dutch Corporate Income Tax Act 1969. The Group consists of ORIX Corporation Europe N.V., OCE Nederland B.V., Transtrend B.V., Robeco Holding B.V., Robeco Nederland B.V., Robeco Institutional Asset Management B.V. and Robeco Indices B.V. All these entities are jointly and severally responsible for the resulting tax liability. Some foreign offices of the Group are considered to be permanent establishments. All offices and the foreign (direct and indirect) subsidiaries of Robeco Holding B.V. are subject to corporate income tax in the country they operate and file their own corporate income tax returns.

The calculation of corporate income tax is made as if the Company is an independent taxpayer. Payable corporate income taxes have been settled with ORIX Corporation Europe N.V. The taxes are calculated on the basis of the applicable rate for tax, taking into account tax-exempt profit constituents and deductible items. The tax rates and laws used to compute taxable amounts are those enacted or substantially enacted at the reporting date.

37. Share in results from participating interests after tax
This item includes the income from investments in group companies.

38. Other results after tax
This mainly relates to the result of the Group's seeding positions.

39. Personnel
At the end of 2024, no employees were formally employed by Robeco Holding (2023: nil).

40. Goodwill
This item is related to the goodwill initially measured at the time of the acquisitions of Robeco Schweiz AG., see note 11. Intangible assets and goodwill for further details.

41. Participating interests in group companies
Movements in this item were as follows:

EUR x million	2024	2023
Balance at 1 January	**340.9**	**354.2**
Net result of the financial year	115.8	114.1
Capital contribution	5.3	-
Dividend	-103.0	-128.9
Revaluation of subsidiaries	3.5	1.5
Balance at 31 December	**362.5**	**340.9**

For Robeco Nederland B.V. general guarantees have been issued within the meaning of Article 2:403 Dutch Civil Code for the financial year 2024.

42. Financial assets

EUR x million	2024	2023
Non-current financial assets		
Equity securities mandatorily at fair value through profit or loss	173.5	95.1
	173.5	**95.1**

43. Cash and cash equivalents

Cash and cash equivalents consist of immediately available credit balances at banks.

44. Shareholders' equity

EUR x million	Issued capital	Share premium	Translation /hedging reserve	Retained earnings	Result for the year	Total
At 1 January 2024	**0.0**	**4.8**	**8.3**	**313.4**	**112.9**	**439.4**
Result for the year	-	-	-	-	115.0	115.0
Other comprehensive income	-	-	3.7	1.1	-	4.8
Total comprehensive income	**-**	**-**	**3.7**	**1.1**	**115.0**	**119.8**
Profit allocation	-	-	-	112.9	-112.9	-
Dividend distribution	-	-	-	-112.9	-	-112.9
At 31 December 2024	**0.0**	**4.8**	**12.0**	**314.5**	**115.0**	**446.3**

At 1 January 2023	**0.0**	**4.8**	**6.4**	**306.8**	**128.4**	**446.4**
Result for the year	-	-	-	-	112.9	112.9
Other comprehensive income	-	-	1.9	1.0	-	2.9
Total comprehensive income	**-**	**-**	**1.9**	**1.0**	**112.9**	**115.8**
Profit allocation	-	-	-	128.4	-128.4	-
Dividend distribution	-	-	-	-122.8	-	-122.8
At 31 December 2023	**0.0**	**4.8**	**8.3**	**313.4**	**112.9**	**439.4**

Issued share capital

The authorized share capital amounts to EUR 2 (2023: EUR 2), consisting of 2 shares with a nominal value of EUR 1 each, which is placed and paid in full. No movements have taken place in the number of shares.

Shareholders are entitled to receive (interim) dividend when declared and are entitled to vote on a one vote-per-share basis at the Group's shareholder meetings. In 2024, the Group distributed a 2023 dividend of EUR 112.9 million to the shareholders.

Share premium

Share premium was set at a price above the par value at the time of the sale of the shares.

Translation/hedging reserve

The foreign currency translation reserve includes the exchange rate differences arising from the translation of the financial statements of foreign subsidiaries. It also includes the effect of hedging the net investments in the foreign subsidiaries.

Retained earnings

Movements in this item resulted from the increase in the result for the year and a re-measurement gain on a defined benefit plan. A restriction applies to capital distributions from retained earnings equal to the amount of the negative foreign currency translation reserves and other revaluation reserves. Apart from these reserves, retained earnings include an amount of EUR 0.5 million (2023: EUR 0.5 million) of legal reserves for non-distributable amounts held in three subsidiaries.

45. Payables due to group companies

The Company has received current account loans from Robeco Nederland B.V. of EUR 30.5 million (2023: EUR 30.5 million) and Robeco Institutional Asset Management B.V. (RIAM) of EUR 158.0 million (2023: EUR 80.0 million). These loans are payable on demand. The interest rate is based on ESTR and a risk premium. The effective interest rate in 2024 was 3.9% (2023: 3.9%).

In 2024, Robeco Holding B.V. received current account loans from Robeco Miami B.V. of USD 9.5 million (EUR 9.1 million) and Robeco

Institutional Asset Management US Inc. of USD 3.0 million (EUR 2.9 million). These loans are payable on demand. The interest rate is based on the Applicable Federal Rate as published by the US Internal Revenue Service (IRS) and a risk premium. The effective interest rate in 2024 was 4.5%. The Company has current accounts with several subsidiaries of EUR 4.1 million (2023: EUR 7.5 million).

46. Contingent assets and liabilities

Fiscal unity

The Dutch Robeco companies are part of a corporate income tax group headed by ORIX Corporation Europe N.V. and a VAT group headed by Robeco Nederland B.V. (which also includes ORIX Corporation Europe N.V. and other Dutch entities held by ORIX Corporation Europe N.V.). As a result there is a jointly and severally responsibility for Dutch Robeco companies for the resulting income tax and VAT liability, as are the other companies that are part of the tax group.

Other

Other information

Articles of association on profit appropriation

According to article 4.1 of the Articles of Association of Robeco Holding B.V., the allocation of profits accrued in a financial year shall be determined by the General Meeting of Shareholders.

Independent auditor's report

To: the General Meeting and the Supervisory Board of Robeco Holding B.V.

Report on the audit of the financial statements included in the integrated annual report

Our opinion

We have audited the financial statements 2024 of Robeco Holding B.V., based in Rotterdam. The financial statements comprise the consolidated financial statements and the company financial statements.

In our opinion:
- the accompanying consolidated financial statements give a true and fair view of the financial position of Robeco Holding B.V. as at 31 December 2024 and of its result and its cash flows for 2024 in accordance with IFRS Accounting Standards as endorsed by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code;
- the accompanying company financial statements give a true and fair view of the financial position of Robeco Holding B.V. as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The consolidated financial statements comprise:
1. the consolidated statement of financial position as at 31 December 2024;
2. the following statements for 2024: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and
3. the notes comprising material accounting policy information and other explanatory information.

The company financial statements comprise:
1. the company income statement for 2024;
2. the company balance sheet as at 31 December 2024; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Robeco Holding B.V. in accordance with the 'Wet toezicht accountantsorganisaties' (Wta, Audit firms supervision act), the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in respect of fraud and non- compliance with laws and regulations and going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information in support of our opinion

Audit response to the risk of fraud and non-compliance with laws and regulations

In chapter Governance & managing risks of the Integrated Annual Report, the management board describes its procedures in respect of the risk of fraud and non-compliance with laws and regulations.

As part of our audit, we have gained insights into the Company and its business environment and the Company's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Company's code of conduct, whistleblowing procedures, incidents register and its procedures to investigate indications of possible fraud and non-compliance. Furthermore, we performed relevant inquiries with management, those charged with governance and other relevant functions, such as Internal Audit, Operational Risk Management, Fiscal Affairs, Legal and Compliance. We have also incorporated elements of unpredictability in our audit.

As a result from our risk assessment, we identified the following laws and regulations as those most likely to have a material effect on the consolidated financial statements in case of non- compliance:
- the requirements by or pursuant to the Act on Financial Supervision (Wet op het financieel toezicht, Wft);
- the law on the prevention of money laundering and terrorist financing (Wwft).

Based on the above and on the auditing standards, we identified the following fraud risks that are relevant to our audit, including the relevant presumed risks laid down in the auditing standards, and responded as follows:

Management override of controls (a presumed risk)

Risk:

Management is in a unique position to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively such as estimates related to employee benefits and investments.

Responses:

- We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls that mitigate fraud risks, such as processes related to journal entries, post-closing adjustments, and estimates.
- We performed a data analysis of high-risk journal entries related to amongst others, manual post-closing entries and evaluated key estimates and judgments for bias by the Company's management, including retrospective reviews of prior years' estimates with respect to liabilities related to employee benefits and investments. Where we identified instances of unexpected journal entries or other risks through our data analytics, we performed additional audit procedures to address each identified risk, including testing of transactions back to source information.

Revenue recognition (a presumed risk)

Risk:

We identified a fraud risk in relation to the recognition of revenue of the Company. This risk inherently includes the fraud risk that management deliberately overstates revenue, throughout the period, as management may feel pressure to achieve planned results for the current or next year.

Responses:

- We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls related to the revenue process.
- We performed substantive audit procedures throughout the period of revenues by determining the fulfillment of performance obligations (revenue recognition) by assessing the terms and conditions and vouching revenues recorded to the underlying agreements and supporting documentation.

We communicated our risk assessment, audit responses and results to the Management Board and the Supervisory Board.

Our audit procedures did not reveal indications and/or reasonable suspicion of fraud and non- compliance that are considered material for our audit.

Audit response to going concern

The management board has performed its going concern assessment and has not identified any going concern risks. To assess the management board's assessment, we have performed, inter alia, the following procedures:

- we considered whether the management board's assessment of the going concern risks includes all relevant information of which we are aware as a result of our audit;
- we analysed the company's financial position as at year-end and compared it to the previous financial year in terms of indicators that could identify going concern risks.

The outcome of our risk assessment procedures did not give reason to perform additional audit procedures on management's going concern assessment.

Report on the other information included in the integrated annual report

In addition to the financial statements and our auditor's report thereon, the Integrated Annual Report contains other information.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the management report and the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is less than the scope of those performed in our audit of the financial statements.

The Management Board is responsible for the preparation of the other information, including the management report, in accordance with Part 9 of Book 2 of the Dutch Civil Code, and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Description of responsibilities regarding the financial statements

Responsibilities of the Management Board and the Supervisory Board for the financial statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code.

Furthermore, the Management Board is responsible for such internal control as the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Management Board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Management Board should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements. The Supervisory Board is responsible for overseeing the company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not have detected all material errors and fraud during our audit.

Misstatements can arise from fraud or errors and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to errors or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from errors, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board;
- concluding on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company ceasing to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We are responsible for planning and performing the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the financial statements. We are also responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We bear the full responsibility for the auditor's report.

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

Utrecht, 24 April 2025
KPMG Accountants N.V.

G.J. Hoeve RA

Limited assurance report of the independent auditor on the non-financial information

To: the stakeholders and the Supervisory Board of Robeco Holding B.V.

Our conclusion

We have performed a limited assurance engagement on the non-financial information for 2024 of Robeco Holding B.V. (hereafter: Robeco) at Rotterdam, the Netherlands in the section "Sustainability statements" and Appendices 1-7 of the accompanying Integrated Annual Report including the information incorporated in the sustainability statements by reference (hereinafter: the "non-financial information").

Based on the procedures performed and the assurance information obtained, nothing has come to our attention that causes us to believe that the non-financial information in the accompanying Integrated Annual Report does not present fairly, in all material respects:
- the policy with regard to material topics; and
- the business operations, events and achievements in that area in 2024

in accordance with the applicable criteria as included in the section 'Criteria'.

Basis for our conclusion

We performed our limited assurance engagement on the non-financial information in accordance with Dutch law, including Dutch Standard 3810N 'Assurance-opdrachten inzake duurzaamheids-verslaggeving' (Assurance engagements relating to sustainability reporting) Our responsibilities under this standard are further described in the section 'Our responsibilities for the assurance engagement on the non-financial information' section of our report. We are independent of Robeco Holding B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence). Furthermore, we have complied with the 'Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics for Professional Accountants).

We believe the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Criteria

The criteria applied for the preparation of the non-financial information are the GRI Sustainability Reporting Standards (GRI Standards), as listed in the GRI Content Index, and the criteria supplementally applied as disclosed in Appendices 1, 5, and 6 of the Integrated Annual Report. The non-financial information is prepared in accordance with the GRI Standards.

The comparability of non-financial information between entities and over time may be affected by the absence of an uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Consequently, the non-financial information needs to be read and understood together with the criteria applied.

Materiality

Based on our professional judgement we determined materiality levels for each relevant part of the non-financial information. When evaluating our materiality levels, we have taken into account quantitative and qualitative aspects as well as the relevance of information for both stakeholders and the company.

Limitations to the scope of our assurance engagement

The non-financial information includes prospective information such as ambitions, strategy, plans, expectations and estimates and risk assessments. Prospective information relates to events and actions that have not yet occurred and may never occur. We do not provide any assurance on the assumptions and achievability of prospective information.

The non-financial Information includes, among others, information based on climate-related (risk) scenarios that is subject to inherent uncertainty because of incomplete scientific and economic knowledge about the likelihood, timing or effect of possible future climate-related impacts. Inherent to prospective information, the actual future results are uncertain. We have reviewed that these assumptions and external sources are appropriate, but we have not performed procedures on the content of these assumptions and external sources.

The references to external sources or websites in the non-financial information are not part of the non-financial information as included in the scope of our assurance engagement. We therefore do not provide assurance on this information.
Our conclusion is not modified in respect to these matters.

Responsibilities of the Management Board and Supervisory Board for the non-financial information

The Management Board is responsible for the preparation and fair presentation of the non-financial information in accordance with the criteria as included in the section 'Criteria', including the identification of stakeholders and the definition of material matters. The Management Board is also responsible for selecting and applying the criteria and for determining that these criteria are suitable for the legitimate information needs of stakeholders, considering applicable law and regulations related to reporting. The choices made by the Management Board regarding the scope of the non-financial information and the reporting policy are summarized in 'Appendix 1: Reporting Principles' of the Integrated Annual Report.

Furthermore, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation of the non-financial information that is free from material misstatement, whether due to fraud or error.

The Supervisory Board is responsible for overseeing the non-financial reporting process of Robeco Holding B.V..

Our responsibilities for the assurance engagement on the non-financial information

Our responsibility is to plan and perform the assurance engagement in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

Our assurance engagement is aimed to obtain a limited level of assurance to determine the plausibility of non-financial information. The procedures vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. The level of assurance obtained in a limited assurance engagement is therefore substantially less than the assurance that is obtained when a reasonable assurance engagement is performed.

We apply the 'Nadere Voorschriften kwaliteitsmanagement' (NVKM, Regulations for Quality management) and accordingly maintain a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our assurance engagement included among others:

- Performing an analysis of the external environment and obtaining an understanding of relevant sustainability themes and issues, and the characteristics of the company;
- Evaluating the appropriateness of the criteria applied, their consistent application and related disclosures in the non-financial information. This includes the evaluation of the company's materiality assessment and the reasonableness of estimates made bythe Management Board;
- Obtaining through inquiries a general an understanding of the internal control environment, the reporting processes, the information systems and the entity's risk assessment process relevant to the preparation of the non-financial information, without testing the operating effectiveness of controls;
- Identifying areas of the non-financial information where misleading or unbalanced information or a material misstatement, whether due to fraud or error, is likely to arise. Designing and performing further assurance procedures aimed at determining the plausibility of the non-financialinformation responsive to this risk analysis.

  These procedures consisted amongst others of:
  - Obtaining inquiries from management and/or relevant staff at corporate (and business/division/cluster/local) level responsible for the sustainability strategy, policy and results;
  - Obtaining inquiries from relevant staff responsible for providing the information for, carrying out internal control procedures on, and consolidating the data in the non-financial information;
  - Reviewing the suitability of assumptions and sources from third parties used for the calculation underlying the data as included in Appendices 5 and 6;
  - Obtaining assurance evidence that the non-financial information reconciles with underlying records of the company;
  - Reviewing, on a limited test basis, relevant internal and external documentation;
  - Considering the data and trends.
- Reading the information in the Integrated Annual report which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the non-financial information;
- Considering the overall presentation and balanced content of the non-financialinformation
- Considering whether the non-financialinformation as a whole, including the sustainability matters and disclosures, is clearly and adequately disclosed in accordance with applicable criteria.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the assurance engagement and significant findings that we identify during our assurance engagement.

Utrecht, 24 April 2025
KPMG Accountants N.V.

G.J. Hoeve RA

Appendix 1: Reporting principles

Purpose

The purpose of this Integrated Annual Report is to explain how Robeco creates value over time for its stakeholders. The report brings together Robeco's consolidated management report including sustainability statements, financial statements and other relevant information for the year ended 31 December 2024. It describes Robeco's business, strategy, performance and impacts over the last year, the risks we are exposed to and the opportunities available to us. It also provides an overview of our system of governance and approaches to risk and asset management. The report is intended for all of Robeco's stakeholders and is primarily based on internal reporting, with external sources clearly indicated where used.

To determine the key sustainability issues for our company we applied a materiality assessment: we included information about matters that have, or are likely to have, a material impact on Robeco's stakeholders or its own business, strategy and performance. We strive to report openly and transparently about our firm's sustainability strategy and activities, consistently applying Robeco's information security policy and disclosure principles. Prior to publication, this report was reviewed and approved by the Executive Committee and the Supervisory Board. Ultimately, the Executive Committee is responsible for the content, accuracy and integrity of this report. The Executive Committee confirms that this report adheres to all regulatory requirements in scope and has been prepared in accordance with the <IR> Framework (IRF) from the International Integrated Reporting Council (IIRC). The production of this report is overseen by Robeco's Integrated Reporting team.

Reporting and data scopes

The consolidation scope of the reported non-financial data is aligned with the consolidation scope of the financial statements. In the event that we have temporary control of investment funds their impacts, risks and opportunities are included in our total client assets assessment. This applies to all reported information unless stated otherwise. For more details on the reporting scope, please refer to note 28, Related parties in the consolidated financial statements.

Where applicable, the scope and boundaries for metrics and other key performance indicators are included in the main text of the report. Annual data relates to the company's financial year (1 January – 31 December). Financial figures in this report are presented in euros (EUR), Robeco's functional and presentation currency. Figures are rounded to one decimal place and relate to results for the Robeco organization, unless stated otherwise.

There are no restatements of non-financial information from previous reporting periods.

The approach we use to consolidate non-financial information does not involve making adjustments to the non-financial information for minority interests and does not differ across disclosures. Our consolidation process follows IFRS 3 and 13 for business combination taking into account mergers, acquisitions, and disposal of entities or parts of entities.

General reporting guidance

We have prepared the report in accordance with the Universal Standards of the Global Reporting Initiative (GRI) and the International Integrated Reporting <IR> Framework from the International Integrated Reporting Council (IIRC). This year we have chosen to begin aligning our report with the EU Corporate Sustainability Reporting Directive (CSRD) and associated European Sustainability Reporting Standards (ESRS). We expect to make further changes and improvements to our reporting before we fully adopt these standards and as market practice evolves. In the current report, we have included Sustainability Statements, using ESRS as a basis. These statements detail Robeco's approach to sustainability and emphasize the importance of sustainability to our purpose, strategy and approach to compliance and risk management. We follow the recommendations of TCFD and TNFD. The GRI Content Index, the <IR> Framework table, TNFD table and TCFD table are at the end of this report.

All consolidated financial information in this report has been prepared in accordance with the International Financial Reporting Standards, as endorsed by the European Union (IFRS-EU). Robeco Holding prepared its company financial statements in accordance with generally accepted local accounting principles (Dutch GAAP). The company financial statements comply with Title 9, Book 2 of the Dutch Civil Code and apply the valuation principles of the International Financial Reporting Standards, as endorsed by the European Union (IFRS-EU). See note 34 page 175 for further general reporting guidance on the company annual financial statements.

Please bear in mind that none of the information in this report constitutes an offer, investment advice or a financial service. Its purpose is not to encourage any person or entity to buy or sell any Robeco product or service.

Forward-looking statements

Certain sections of this report contain statements that may be construed as forward-looking. These statements are not historical facts and represent Robeco's beliefs about future events, many of which are inherently uncertain and outside our control. These statements apply only as at the date of publication of this report. Robeco does not intend to update or revise any such statements after the report's publication and assumes no responsibility to do so.

Assurance

The financial statements of Robeco Holding B.V., including its consolidated financial statements and company financial statements and notes, are audited by KPMG Accountants N.V.

For more information, refer to the independent auditor's report on page 181.

KPMG Accountants N.V. has reviewed (under limited assurance) the non-financial information included in this report. KPMG Accountants N.V. also carried out a review of the content of this report for the financial year 2024 in accordance with the GRI Universal Sustainability Reporting Standards and the <IR> Framework.

For more information, refer to the Limited assurance report of the independent auditor on the non-financial information on page 181.

The management letter was approved by the Executive Committee and the Supervisory Board (see Assurance report).

The audit has been performed independently, enabling KPMG Accountants N.V. to come to objective and impartial conclusions.

Appendix 2: Materiality assessment

Connection between 2022 and 2024 materiality assessments

In 2022, Robeco's materiality assessment identified key ESG topics for our company using a double materiality approach aligned with Global Reporting Initiative (GRI) standards and preliminary Corporate Sustainability Reporting Directive (CSRD) guidance. This baseline assessment engaged both internal and external stakeholders, including clients, NGOs, industry associations and academic partners, to ensure we took into account a broad range of perspectives on material topics. We determined which topics were most important for our company based on input from all the stakeholders, with Robeco's Executive Committee and Supervisory Board validating the results.

The DMA we performed in 2024 builds on our 2022 assessment and has the added benefit of aligning with the ESRS by incorporating a structured Impacts, Risks, and Opportunities (IRO) analysis.

Key differences between the 2022 and 2024 assessments include:

1. Stakeholder engagement scope
   - In 2022, we engaged both internal and external stakeholders to capture a broad range of opinions to establish our initial list of material topics.
   - The 2024 engagement with stakeholders was limited to Robeco colleagues as this year's DMA was an update only. We used internal expertise to assess the impacts, risks and opportunities associated with sustainability matters.
2. Enhanced focus on IRO analysis
   - Our 2022 assessment focused on identifying material topics based on a high-level review that took into account stakeholder priorities and their perceived importance for Robeco.
   - The 2024 assessment explicitly analyzed the IROs for each topic. This approach included developing specific criteria to score IROs in terms of their impact and financial materiality. Please refer to the section on the integration of IROs in the 2024 DMA below for more details.
3. Scoring and prioritization
   - In 2022, we ranked topics as highly or moderately material based on their relative importance to stakeholders.
   - Whereas in 2022 we only assigned scores at the overall topic level, in 2024 we adopted a more detailed approach, assigning each material topic both an impact score and a risk/opportunity score on a 1-5 scale. Sustainability matters with scores above 3 were classified as material.

→ *Find out more about our 2022 Materiality Assessment*

Integration of IROs in the 2024 DMA

We integrated IROs in our DMA in four steps, as described below.

1. Identifying IROs for each material topic

We define sustainability topics in terms of the impacts, risks and opportunities they involve. The impacts can be positive or negative, actual or potential, and interconnected. They may occur in the short, medium or long term and relate to activities across our value chain.

We screened our assets, office locations and business activities for actual and potential impacts, and risks as well as opportunities in our own operations and the value chain related to material topics we identified in 2023.[106] This screening involved desk research and interviews with internal stakeholders and experts. We covered our full value chain, as required by ESRS, and consulted with internal stakeholders and topic experts including our Risk Management department and our Sustainable Investing Center of Expertise. We drew up a list of potential IROs for each material topic based on both internal insights and external guidance.

2. Setting criteria and thresholds for scoring

After identifying sustainability matters and their impacts, risks and opportunities, we assessed and assigned scores for them on a 1-5 scale. In collaboration with our Risk Management department, we established criteria and thresholds for evaluating the impact and financial materiality of IROs. These criteria align with the ESRS framework, as detailed below:

- Impact materiality: we assigned scores for negative impacts based on their severity (in terms of their scale, scope and irremediability), and positive impacts based on their scale and scope. Due to the complexity of our investment universe, we deem all impacts to be occurring – in other words, we do not assess the likelihood of whether they are likely to materialize.
- Financial materiality: we considered the magnitude of the potential financial effects of the IROs on Robeco and the likelihood of them occurring.
- Overall scoring: After a round of scoring sessions, an IRO is deemed to be material if the score is equal to 3 or above. If a topic has one or more material IROs, it is deemed to be material to Robeco

3. Scoring IROs

From an asset manager's viewpoint, IROs can be classified from the perspective of its investments or its own operations. Each perspective uses a distinct scoring approach.

- IROs related to the companies we invest in: Sector-level analysis using the United Nations Environment Programme Finance Initiative (UNEP FI) impact mapping was conducted to assess IROs associated with companies Robeco invests in. This mapping identifies Robeco's investment exposure to sectors with negative

106. The 2023 materiality assessment built on the 2022 exercise with minimal methodological changes. As the 2022 methodology served as the foundation, this text focuses on the outcomes of the 2023 assessment rather than detailing its methodology.

- impacts according to the UNEP FI classification. Higher exposure signifies a greater negative impact and increased financial magnitude of the associated risks.
- IROs related to our own operations: Sector analysis of the financial industry, as conducted by our SI Center of Expertise, served as a baseline for us to evaluate operational risks and their likelihood of occurring. For impacts and opportunities, we reviewed our strategic and internal policies to assess their importance. Topics emphasized in these documents received higher scores.

4. Board review and validation of final scores

After assigning scores, topic owners[107] reviewed the findings, which were then discussed with senior management. Our Sustainability and Impact Strategy Committee provided input, with final validation of the scores by the ExCo and Supervisory Board.

Table 30 | Changes in our 2024 DMA from 2023

Topic	Changes in 2024
Level of materiality	Removed the distinction between high materiality and moderate materiality.
Equal opportunities/non-discrimination	Changed name of topic to 'Own workforce', which encompasses both equal opportunities / non-discrimination and working conditions.
Biodiversity, Resource use & circularity and Pollution	Combined the three topics of 'Biodiversity', 'Resource use & circularity' and 'Pollution' into one material topic called 'Nature', which focuses on biodiversity loss.
Business conduct	Removed from the list of topics relevant to the investments we make.
Compliance	Made the topic of 'Compliance' a sub-topic of Business conduct.
Tax policy	Made the topic of 'Tax policy' a sub-topic of Business conduct.
Human rights	Changed the name of the material topic 'Human rights' to 'Social issues'.

Table 31 | Material topic definitions

Topic	Definition
Climate change	Robeco's indirect impacts on climate change focus on mitigation and adaptation through its investments. The associated potential financial effects are linked to how climate change and the global transition to net-zero affect our investments.
Nature	Robeco's indirect impacts on nature focus on the drivers of biodiversity loss through its investments. The associated financial effects are primarily linked to investments in sectors with significant impacts on nature and strategies that support a transition to a nature-positive economy.
Social issues	Robeco's indirect impacts on social issues focus on respecting human rights and promoting decent work, including labor rights and working conditions, diversity and inclusion, and human capital development. The associated financial effects are linked to investments in sectors in which social issues are significant and in strategies that support a transition to more equitable and ethical social practices.
Own workforce	Robeco's direct impacts on its own workforce focus on ensuring good working conditions, non-discrimination and equal opportunities. The associated financial effects are linked to employee retention and effectiveness.
Business conduct	Robeco's direct impacts are through its business conduct practices focusing on honesty, integrity, accountability and leadership; protecting whistleblowers with a zero-retaliation policy; transparency in our political engagement and supplier payment practices; our compliance with laws and regulations; and adherence to good tax practices. The associated financial effects are primarily linked to potential greenwashing, corruption and bribery cases filed; and reputational damage from non-compliance.
ESG data quality	Robeco's risks related to ESG data quality involve its dependency on the availability, accuracy and reliability of the data we use to make informed investment decisions. This also represents an opportunity for Robeco to stand out as a leading sustainable investment manager by influencing global standards for better access to data and developing innovative products.

107. Topic owners are topic specialists who drive the topic within Robeco.

Appendix 3: Reporting standards mapping

Global Reporting Initiative (GRI) content index

Statement of use
Robeco Holding B.V. has reported in accordance with the GRI Standards for the period of 01/01/2024 to 31/12/2024.

GRI 1 used
Foundation 2021.

Applicable GRI sector standards
None apply.

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-1 Organizational details	About this report (pg.6); Our offices (pg.11); Our mission & vision (pg. 8); Corporate governance (pg.36), Corporate structure (pg. 41)			A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.	
	2-2 Entities included in the organization's sustainability reporting	Reporting principles (pg. 185); Note 28 of the Annual Financial Statements (pg. 169)				
	2-3 Reporting period, frequency and contact point	Basis of preparation (pg. 84); Reporting principles (pg. 185); Contact (pg. 210)				
	2-4 Restatements of information	Reporting principles (pg. 185)				
	2-5 External assurance	Reporting principles (pg. 185); Assurance report (pg. 181); Independent auditor's report (pg. 179)				
	2-6 Activities, value chain and other business relationships	Strategy and value creation (pg. 20)	2-6c	Not applicable	Robeco does not engage in business relationships with entities that are not described as part of its value chain. Additionally, as an asset manager, our supply chain is limited and therefore not quantified.	
	2-7 Employees	Our people (pg.109), section Our workforce in figures (pg. 109)	2-7b iii.	Not applicable	Robeco does not have non-guaranteed hours employees.	
	2-8 Workers who are not employees	Our people (pg.109), section Our workforce in figures (pg. 109)				
	2-9 Governance structure and composition	Corporate governance (pg.36), Sustainability governance (pg. 89)	2-9c vi.	Infor-mation unavaila-ble/incom-plete	As an organisation, we currently do not consider membership of under-represented social groups when selecting members of the Management and/or Supervisory Boards. As such, we do not record this information. We will continue to evaluate our hiring practices and criteria in the future and give an update on this in the next reporting cycle.	
	2-10 Nomination and selection of the highest governance body	Corporate governance (pg. 36)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-11 Chair of the highest governance body	Corporate governance (pg. 36)				
	2-12 Role of the highest governance body in overseeing the management of impacts	Double materiality assessment overview (pg.87); Corporate governance (pg.36); Business conduct and compliance (Corporate sustainability commitments) (pg.121)				
	2-13 Delegation of responsibility for managing impacts	Sustainability governance (pg. 89)				
	2-14 Role of the highest governance body in sustainability reporting	Double materiality assessment overview (pg.87); Corporate governance (pg.36)	2-14b	Not applicable	Robeco's highest governance body is responsible for reviewing and approving the reported information, including the organization's material topics.	
	2-15 Conflicts of interest	Corporate governance (pg.36), Conflicts of interest (pg. 40); Business conduct, Code of conduct (pg. 119)	2-15b ii.	Not applicable	As Robeco Holding is fully owned by one single shareholder, there are no conflicts of interest relating to cross-shareholder membership.	
	2-16 Communication of critical concerns	Business conduct and compliance (pg.119)				
	2-17 Collective knowledge of the highest governance body	Corporate governance (pg. 36), Permanent education (pg. 38)				
	2-18 Evaluation of the performance of the highest governance body	Corporate governance, Self-assessment (pg. 36) Corporate Governance (pg. 36)				
	2-19 Remuneration policies	Remuneration, sections 'Components of remuneration' (pg. 44) and 'Risk Control measures' (pg. 45)				
	2-20 Process to determine remuneration	Remuneration, sections 'Objectives of our remuneration policy' and 'The basis of our remuneration policy' (pg. 43)	2-20a iii. and 2-20b	Not applicable	2-20aiii Robeco does not engage with any remuneration consultants. 2-20b Robeco's stakeholders do not cast votes on determining the process of remuneration.	
	2-21 Annual total compensation ratio	Remuneration, table 'Annual total compensation ratios' (pg. 46)				
	2-22 Statement on sustainable development strategy	Conversation with CEO (pg. 2)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
General disclosures						
GRI 2: General Disclosures 2021	2-23 Policy commitments	Business conduct, Corporate Sustainability commitments (pg. 121); Sustainability governance (pg.89); Social Issues (pg. 115); Our vendors, procurement and third-party management practices (pg. 123) Sustainability integration: Approach and Guidelines				
	2-24 Embedding policy commitments	Corporate Sustainability commitments (pg.121); Corporate governance, Sustainability governance (pg. 89); Our Sustainable Investing strategy (pg. 67); Social Issues (pg. 115); Our vendors, procurement and third-party management practices (pg. 123) Sustainability integration: Approach and Guidelines				
	2-25 Processes to remediate negative impacts	Business conduct and compliance (pg. 121)	2-25d and 2-25e	Infor-mation unavaila-ble/incom-plete	25d) The intended users of the grievance mechanisms are not involved in the design, review, operation, and improvement of the grievance mechanisms with Robeco. 25e) Robeco does not have a procedure to track the effectiveness of the grievance mechanisms and other remediation processes.	
	2-26 Mechanisms for seeking advice and raising concerns	Business conduct and compliance, paragraph Speaking up & Violations of the code of conduct (pg.119-120)				
	2-27 Compliance with laws and regulations	Business conduct and compliance (pg.119)				
	2-28 Membership associations	Appendix: Association memberships and participation in external initiatives (pg. 199)				
	2-29 Approach to stakeholder engagement	Stakeholder engagement (pg. 26)				
	2-30 Collective bargaining agreements	Our people, section 'Collective bargaining agreements' (pg. 114)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
Material topics						
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Double materiality assessment overview (pg.87)	A gray cell indicates that reasons for omission are not permitted for the disclosure or that a GRI Sector Standard reference number is not available.			
	3-2 List of material topics	Double materiality assessment overview (pg.87)				
Human rights						
GRI 3: Material Topics 2021	3-3 Management of material topics	Social issues (pg. 115-117)	3-3e ii., iii.	Infor-mation unavaila-ble/incom-plete	Due to the quality of data currently available and the attribution of impacts through our investments on the society, we have not formulated a clear set of goals, targets and indicators to evaluate our progress on the impact that we have on human rights through our holdings. In 2024, we took steps to further develop our social issues framework and Social Traffic Light, aimed at improving how we assess social issues at the companies we invest in. While the framework and the Social Traffic Light help assess social issues of investee companies, it is too far-reaching to set meaningful targets in relation the social issues of investee companies' workers and their value chain.	
Tax						
GRI 3: Material Topics 2021	3-3 Management of material topics	Our contributing to tax transparency: Our tax policy, Tax principles and Governance (pg. 50); Our approach to tax				
GRI 207: Tax 2019	207-1 Approach to tax	Our contributing to tax transparency in Our tax policy, Our tax principles and in Governance (pg. 50); Our approach to tax				
	207-2 Tax governance, control, and risk management	Our contributing to tax transparency in Governance, and Tax risk appetite and managing our tax risks (pg. 50); Reporting Principles (pg.185); Assurance report (pg. 181)				
	207-3 Stakeholder engagement and management of concerns related to tax	Our contribution to tax transparency: stakeholder engagement / public policy engagement (pg. 50-51)				
	207-4 Country-by-country reporting	Total tax contribution, text and tables in Business activities by country & Corporate income tax (pg. 50)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
Biodiversity						
GRI 3: Material Topics 2021	3-3 Management of material topics	Nature (pg. 181)	3-3e	Infor-mation unavaila-ble/incom-plete	In line with the Finance for Biodiversity Pledge that we made in 2020, we set nature targets in December 2024. These targets will be included in our updated net-zero and nature roadmaps for 2025-2030.	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		304-1	Not applicable	Robeco does not have any operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	
	304-2 Significant impacts of activities, products and services on biodiversity		304-2 a, b	Infor-mation unavaila-ble/incom-plete	As an asset manager, our material impacts on biodiversity are only indirect through our investments. Due to data limitations and difficulties in the attribution of impacts on biodiversity, it is currently not feasible to report on the significant indirect positive and negative impacts on biodiversity and their nature. We will continuously monitor the progress in this area and give an update on this in the next reporting cycle.	
	304-3 Habitats protected or restored		304-3	Not applicable	Robeco does not have a direct impact on habitats protected and restored.	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations		304-4	Not applicable	The significant location of operation is not situated within a protected area or an area of relatively higher biodiversity value.	
Pollution						
GRI 3: Material Topics 2021	3-3 Management of material topics		3-3 a-f	Infor-mation unavail-able/ incom-plete	Since this is an emerging topic and closely interlinked with the topics of climate change and biodiversity, we do not report separately on it. We are currently investigating how to best report on this topic, taking into account that this is an indirect impact and data availability is challenging. Our priorities for 2024 include setting targets to fulfil our Finance for Biodiversity Pledge in line with the published guidelines. We intend to incorporate these targets into our net zero roadmap so that we take an integrated approach to nature which not only addresses climate change but also the related topics of biodiversity loss, pollution, resource use and circularity. We aim to release our updated nature and net zero roadmap in 2025.	
Climate change						
GRI 3: Material Topics 2021	3-3 Management of material topics	Climate change (pg. 94); Navigating the climate transition. Robeco's roadmap to net zero emissions by 2050. (www.robeco.com/docm/docu-robeco-roadmap-to-net-zero.pdf)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Operational environmental footprint (pg. 105) Appendix: Calculating our carbon emissions (pg. 203)	305-1b, c	Not applicable	Robeco is not involved in any manufactural or industrial activities that generate CH4, N2O, HFCs, PFCs, SF6, NF3 or significant amounts of biogenic CO2 emissions.	
	305-2 Energy indirect (Scope 2) GHG emissions	Operational environmental footprint (pg.105) Appendix: Calculating our carbon emissions (pg. 203)	305-2b and 305-2c	Not applicable	Robeco is not involved in any manufactural or industrial activities that generate CH4 , N2O, HFCs, PFCs, SF6 , NF3 or significant amounts of Biogenic CO2 emissions. We use operational control approach for our emission consolidation, therefore gross market-based energy indirect (Scope 2) GHG emissions is not applicable.	
	305-3 Other indirect (Scope 3) GHG emissions	Operational environmental footprint (pg. 105); Appendix: Calculating our carbon emissions (pg.203)	305-3b and 305-3c	Infor-mation unavaila-ble/incom-plete	For Scope 3 downstream we make all necessary disclosures, however for scope 3 upstream our emissions of CH4, N2O, HFCs, PFCs, SF6, NF3 and the biogenic CO2 emissions are quite insignificant so we do not have a record of these. Nevertheless, in 2025, we will continue making estimates for the missing Scope 3 upstream emissions.	
	305-4 GHG emissions intensity	Climate change, Table "Financed emissions of Robeco's listed equity and corporate bonds assets under management" (pg. 96)				
	305-5 Reduction of GHG emissions	Climate change, Decarbonizing our total client assets (pg. 98); Appendix: Calculating our carbon emissions (pg. 203)				
	305-6 Emissions of ozone-depleting substances (ODS)		305-6	Not applicable	Robeco is not directly involved in any manufactural or industrial activities that generate ozone-depleting substances (ODS).	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		305-7	Not applicable	Robeco is not directly involved in any manufactural or industrial activities that generate nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions.	
Compliance						
GRI 3: Material Topics 2021	3-3 Management of material topics	Business conduct and compliance (pg.119)				
Business conduct						
GRI 3: Material Topics 2021	3-3 Management of material topics	Business conduct and compliance, Code of conduct (pg.119)				

GRI standard/ other source	Disclosure	Location	Omission			GRI sector standard ref. No.
			Require-ment(s) omitted	Reason	Explanation	
Resource use and circularity						
GRI 3: Material Topics 2021	3-3 Management of material topics		3-3 a-f	Infor-mation unavaila-ble/incom-plete	Since this is an emerging topic and closely interlinked with the topics of climate change and biodiversity, we do not report separately on it. We are currently investigating how to best report on this topic, taking into account that this is an indirect impact and data availability is challenging. Our priorities for 2024 include setting targets to fulfil our Finance for Biodiversity Pledge in line with the published guidelines. We intend to incorporate these targets into our net zero roadmap so that we take an integrated approach to nature which not only addresses climate change but also the related topics of biodiversity loss, pollution, resource use and circularity. We aim to release our updated nature and net zero roadmap in 2025.	
ESG data quality						
GRI 3: Material Topics 2021	3-3 Management of material topics	ESG data quality (pg. 125)	3-3 a-b, d, e ii, e iii.	Not applicable	"3-3a, b, d, through our double materiality assessment we have not identified material negative or positive impacts, only risks and opportunities. These disclosure requirements are therefore not applicable. 3-3 e ii: we don't report on targets in relation to ESG data quality as it is not possible to set meaningful targets. 3-3e iii: we don't report on progress towards the goals and targets as we have not set any targets (see 3-3e ii)"	
Equal opportunitinies/non-discrimination						
GRI 3: Material Topics 2021	3-3 Management of material topics	Our People, sections 'Our Workforce', 'DE&I actions', 'Learning & development', 'DE&I metrics and report', 'Works Councils' (pg.109-114)	3-3 b, d i, d ii,	Not applicable	3-3 b, d i, d ii: through our double materiality assessment we have not identified negative impacts in relation to the material topic 'Own Workforce'. These disclosure requirements are therefore not applicable.	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Our workforce, section 'DE&I metrics and report', tables 'Gender distribution per employment category' and 'Age distribution per employment category in headcount'. (pg. 111-112)	405-1a iii. and 405-1b iii.	Infor-mation unavaila-ble/incom-plete	As an organisation, we currently do not consider membership of minority groups or vulnerable groups when selecting employees or members of the Management, ExCo and/or Supervisory Boards. As such, we do not record this information. We will continue to evaluate our hiring practices and criteria in the future and adjust these when deemed necessary.	
	405-2 Ratio of basic salary and remuneration of women to men	Remuneration, table 'Women to men remuneration percentage (pg. 46)	405-2b	Not applicable	The scope of the ratio is Robeco Holding. We do not disclose per significant locations of operation as the majority (71%) of Robeco's employees are based in the Netherlands.	

International Reporting Framework (IRF) mapping table

Guiding principles

This Integrated Annual Report has been prepared in accordance with the Integrated Reporting Framework, part of the IFRS Foundation. The <IR> Framework comprises Guiding principles and Content elements and focuses on an organisation's ability to create value.

Guiding principles		Requirements	Details of our approach
A	Strategic focus and future orientation	An integrated report should provide insight into the 1. **organization's strategy**, and how that relates to 2. its **ability to create value in the short, medium and long term** and to 3. **its use of and effects on the capitals**.	Robeco's positioning and strategy is presented in Our strategy (p.21) and Our Sustainable investing strategy (p.67), which provides insight into our strategy execution from both our corporate and investment perspectives. Operational sustainability targets as well as their execution were presented throughout the report. Our value creation section (p.20) provides further information on how Robeco creates value over time and its resources.
B	Connectivity of information	An integrated report should show a holistic picture of 1. the **combination**, 2. **interrelatedness** and 3. **dependencies** between the factors that affect the organization's ability to create value over time.	The IAR has a clear structure and provides information on market overview and details on how Robeco's strategy relates to changes in its operating environment and performance against the corporate strategy (Our Strategy, market development, trends). There are details on performance against our corporate and Sustainable investment strategy (Our strategy p.21, our sustainable investment strategy p.67). We elaborate more on possible opportunities and risks arising from our strategy (Risk exposure, Available opportunities and Future plans p.21).
C	Stakeholder relationships	An integrated report should provide insight into the nature and quality of **the organization's relationships with its key stakeholders**, including how and to what extent the organization understands, takes into account and responds to their legitimate needs and interests.	Robeco's main stakeholder groups are identified (Our Stakeholders). We described methods of identification and engagement with each stakeholder group, as well as the principal issues discussed during the year more extensively. Our value creation model provides further information on value created for our stakeholder groups (Value creation model p.25).
D	Materiality	An integrated report should disclose information about **matters that substantively affect the organization's ability to create value** over the short, medium and long term.	The report focuses on our material topics, i.e., those with the greatest impact on Robeco and its stakeholders. Robeco's materiality assessment is described in detail (including results) on the Material topics linked to our strategic ambitions (p.23), and Double materiality assessment overview section (p.87).
E	Conciseness	An integrated report should be **concise**.	Robeco applies the materiality principle to ensure focused content. The integrated report acts as a standalone document, providing sufficient information for all stakeholders. Robeco also has to comply with current reporting regulations, these may result in additional content on certain topics.
F	Reliability and completeness	An integrated report should **include all material matters**, both positive and negative, in a balanced way and without material error.	The report covers all our material topics – in terms of content, how we manage the material topics and to ensure a proper balance between positive and negative aspects. Besides reporting on our achievement, we also report on challenges where applicable. To achieve this, the report is subject to a robust review and approval process and is ultimately approved by the Executive Committee and Supervisory Board prior to publication (Reporting principles p.185). The report is also subject to assurance from our external auditor (Assurance Report p.181).
G	Consistency and comparability	The information in an integrated report should be presented: • on a basis that is **consistent overtime** • in a way that **enables comparison with other organizations** to the extent it is material to the organization's own ability to create value over time.	In the report where possible, all data is shown in its proper context, comparison with previous years' performance is also included. Significant variations in performance are explained in the text.

Content element		Requirements	Details of our approach
H	Organizational overview and external environment	An integrated report should answer the question: 1. **what does the organization do and** 2. **what are the circumstances unde**r which it operates?	The IAR provides an overview of our activities, purpose, core values and business model (About this report p.6) . The most significant changes to our external business environment are described in Our operating environment and financial market outlook (p.17).
I	Governance	An integrated report should answer the question: 1. how does the organization's **governance structure support its ability to create value** in the short, medium and long term?	The Corporate Governance describes our corporate governance structure as well as details how it supports Robeco's value creation (p.36). This report also contains conversations with our ExCo in A conversation with our CEO (p.2).
J	Business model	An integrated report should answer the question: what is the organization's **business model**?	Our business model is described under About Robeco (p.7), also is included in our Value creation model (p.25).
K	Risks and opportunities	An integrated report should answer the question: 1. what are the **specific risks and opportunities** that affect the organization's ability to create value over the short, medium and long term, and 2. **how is the organization dealing** with them?	Our Strategy and Value creation model (p.24) provides on principal risks and opportunities arising from our strategy, these are linked to out focus area and our material topics. Further information on the approach to our risk management is included the Risk Management (p.47) and Sustainability Risk Management sections (p.90).
L	Strategy and resource allocation	An integrated report should answer the question: 1. **where** does the organization **want to go** and 2. **how** does it intend **to get there**?	Robeco's Mission and vision, Strategy and Sustainable investment strategy disclose information on our strategy, intended future direction and allocation of resources (p.8; 21; 67). The Corporate Outlook provides Robeco's view of markets, performance and strategy execution in 2024 and beyond (p.19)
M	Performance	An integrated report should answer the question: 1. to what extent has the organization achieved its strategic objectives for the period and 2. what are its outcomes in terms of effects on the capitals?	Our Value creation model explains outputs/outcomes from our business model, our impact on capitals and value created for stakeholders (p.25). **1. Corporate level** Our financial results summary (p.13) disclose the financial performance of Robeco as company. Our own operation's performance is disclosed in Operational environmental footprint section (p.105). **2. Sustainable investing** Our Sustainable investment strategy describes Robeco's performance against its strategic pillars and targets (p.67).
N	Outlook	An integrated report should answer the question: 1. what **challenges and uncertainties** is the organization likely to encounter in pursuing its strategy, and 2. what are the **potential implications for its business model and future performance**?	The Asset management industry trends and Our operating environment and financial market outlook detail overview and outlook of our operating environment. The Corporate outlook section (p.19), Strategy and value creation section (p.24), Our sustainable investment strategy (p.67) provide forward-looking information relating to Robeco's performance, strategy execution.
O	Basis of preparation and presentation	An integrated report should answer the question: 1. how does the organization **determine what matters to include in the integrated report** and 2. how are **such matters quantified or evaluated**?	The basis of preparation and presentation is included under Basis of preparation (p.84) and Reporting principles (p.185). We determine on content based on the materiality principle and in compliance with relevant regulations.

Task Force on Climate-related Financial Disclosures (TCFD)

Robeco supports the recommendations of the TCFD. We expect the companies we invest in to disclose information in alignment with TCFD recommendations, and we also apply these recommendations to our own disclosures. Below we provide an overview of how and where the TCFD recommendations are embedded in Robeco's disclosures.

GOVERNANCE **Robeco's governance on climate-related risks and opportunities**	
Describe the board's oversight of climate-related risks and opportunities	Sustainability risk integration and operational impact, p. 7 Sustainability integration: Approach and guidelines, p. 14
Describe management's role in assessing and managing climate-related risks and opportunities	Sustainability risk integration and operational impact, p. 7 Sustainability integration: Approach and guidelines, p. 14

STRATEGY **Actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material**	
Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term	Sustainability integration: Approach and guidelines, p. 7-9
Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning	Sustainability integration: Approach and guidelines, p. 7-9 Navigating the climate transition, p. 5-7 2024 Integrated Annual Report, Climate change
Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Navigating the climate transition, p. 5-7 2024 Integrated Annual Report, Climate change

RISK MANAGEMENT **How Robeco identifies, assesses and manages climate-related risks**	
Describe the organization's processes for identifying and assessing climate-related risks	Sustainability integration: Approach and guidelines, p. 8-9 Sustainability risk integration and operational impact, p. 4-6
Describe the organization's processes for managing climate-related risks	Sustainability integration: Approach and guidelines, p. 8-9 Sustainability risk integration and operational impact, p. 11-13
Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization's overall risk management	Sustainability integration: Approach and guidelines, p. 8-9 Sustainability risk integration and operational impact, p. 11-13

METRICS AND TARGETS **The metrics and targets Robeco uses to assess and manage relevant climate-related risks and opportunities, where such information is material**	
Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	2024 Integrated Annual Report, Climate change
Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas emissions and the related risks	2024 Integrated Annual Report, Climate change
Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	2024 Integrated Annual Report, Climate change Navigating the climate transition, p. 7, 9-14

Task Force on Nature-related Financial Disclosures (TNFD)

Robeco supports the recommendations of the TNFD, which were published in September 2023. They lay out what information we can expect from companies in future reporting and provide a framework for us to discuss our biodiversity work. Below we provide an overview of how and where the TNFD recommendations are embedded in Robeco's disclosures.

GOVERNANCE Robeco's governance of nature-related dependencies, impacts, risks and opportunities	
Describe the board's oversight of nature related dependencies, impacts, risks and opportunities.	Sustainability risk integration and operational impact, p. 7 Sustainability integration: Approach and guidelines, p. 14
Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	Sustainability risk integration and operational impact, p. 7 Sustainability integration: Approach and guidelines, p. 14 2024 Integrated Annual Report, Nature
Describe the organization's human rights policies, engagement activities and oversight by the board and management with respect to indigenous peoples, local communities and affected and other stakeholders in the organization's assessment of and response to nature-related dependencies, impacts, risks and opportunities.	Sustainability integration: Approach and guidelines, p. 11-12, 14

STRATEGY The effects of nature-related dependencies, impacts, risks and opportunities on Robeco's business model, strategy and financial planning, where such information is material	
Describe the nature-related dependencies, impacts, risks and opportunities the organization has identified over the short, medium and long term.	2024 Integrated Annual Report, Nature • Our exposure to nature risks and impacts
Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organization's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	2024 Integrated Annual Report, Nature 1. Our exposure to nature risks and impacts 2. Our policy and commitments 3. Integrating nature considerations in our investments 4. Nature stewardship *We do not have a quantitative assessment of financial risk beyond sector exposure.*
Describe the resilience of the organization's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	*We cannot conduct a resilience analysis, which is largely based on stress-testing various scenarios, as we are dependent on scientific and policy-based biodiversity models that are not yet available. We monitor closely the development of such models and will strive to report on the outcomes of the stress-testing scenarios and their impact on our business and strategy in the next reporting period.*
Disclose the locations of assets and/or activities in the organization's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	2024 Integrated Annual Report 1. Our offices 2. Operational environmental footprint

RISK MANAGEMENT How Robeco identifies, assesses, prioritizes and monitors nature-related dependencies, impacts, risks and opportunities	
Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its direct operations.	Sustainability risk integration and operational impact, p. 8-13 2024 Integrated Annual Report, Nature • Our exposure to nature risks and impacts
Describe the organization's processes for identifying, assessing and prioritizing nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	2024 Integrated Annual Report, Nature • Our exposure to nature risks and impacts
Describe the organization's processes for managing nature-related dependencies, impacts, risks and opportunities.	2024 Integrated Annual Report, Nature • Integrating nature considerations in our investments
Describe how processes for identifying, assessing, prioritizing and monitoring nature-related risks are integrated into and inform the organization's overall risk management processes.	*We have not yet integrated nature-related risks into our overall risk management process*

METRICS AND TARGETS The metrics and targets used to assess and manage material nature-related dependencies, impacts, risks and opportunities	
Disclose the metrics used by the organization to assess and manage material nature-related risks and opportunities in line with its strategy and risk management process.	2024 Integrated Annual Report, Nature • Our exposure to nature risks and impacts • Integrating nature considerations in our investments 2024 Integrated Annual Report, Operational environmental footprint
Disclose the metrics used by the organization to assess and manage dependencies and impacts on nature.	2024 Integrated Annual Report, Nature 1. Our exposure to nature risks and impacts 2. Integrating nature considerations in our investments
Describe the targets and goals used by the organization to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	2024 Integrated Annual Report, Nature 1. Our policy and commitments 2. Monitoring targets

UN Global Compact communication on progress

Robeco reaffirms its support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment, and Anti-Corruption.

In this annual Communication on Progress, we disclose our continuous efforts to integrate the Ten Principles into our business strategy, culture, and daily operations, and contribute to United Nations goals, particularly the Sustainable Development Goals

Principle and reference:

Statement of continuing support
UN Global Compact Communication on Progress

Principle 1
Businesses should support and respect the protection of internationally proclaimed human rights
Our vendors, procurement and third-party management practices; Our Sustainable Investing strategy; Our Sustainable investing frameworks; Social issues; Stewardship; Our workforce; Business conduct and compliance; Association memberships and participation in external initiatives.

Principle 2
Businesses should make sure that they are not complicit in human rights abuses
Our vendors, procurement and third-party management practices; Stewardship; Social issues.

Principle 3
Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
Our workforce; Social issues.

Principle 4
Businesses should uphold the elimination of all forms of forced and compulsory labor
Our vendors, procurement and third-party management practices; Stewardship; Social issues.

Principle 5
Businesses should uphold the effective abolition of child labor
Our vendors, procurement and third-party management practices; Stewardship; Social issues.

Principle 6
Businesses should uphold the elimination of discrimination in respect of employment and occupation
Our workforce; Social issues; Business conduct and compliance.

Principle 7
Businesses should support a precautionary approach to environmental challenges
Our vendors, procurement and third-party management practices; Our Sustainable Investing strategy; Sustainable investing solutions; Stewardship; Climate change; Nature.

Principle 8
Businesses should undertake initiatives to promote greater environmental responsibility
Our vendors, procurement and third-party management practices; Our Sustainable Investing strategy; Sustainable investing solutions; Stewardship; Climate change; Nature; Association memberships and participation in external initiatives.

Principle 9
Businesses should encourage the development and diffusion of environmentally friendly technologies
Our Sustainable Investing strategy; Sustainable investing solutions; Stewardship; Climate change; Nature.

Principle 10
Businesses should work against corruption in all its forms, including extortion and bribery
Our vendors, procurement and third-party management practices; Risk management.

Appendix 4: Association memberships and participation in external initiatives

Name	Role	ESG focus	Region
Access to Medicine Index	Engagement working group	S	Brazil
AMEC (Brazilian Corporate Governance Association)	Board membership; Engagement working group	G	Brazil
Asian Corporate Governance Association (ACGA)	Council member and participate in working groups to support engagement on Asia	G	Asia
Brazilian Amec Stewardship Code	Signatory	ESG	Brazil
Business Benchmark on Farm Animal Welfare	Engagement working group	S	Global
Climate Action 100+ Initiative	Founding signatory – Commitment to participate in climate action engagement	E	Global
Deforestation commitment letter	Assess exposure to deforestation risk, establish investment policies on gricultural commodity-driven deforestation, engage, disclose deforestation risk and mitigation activities, publicly report credible progress	E	Global
Dutch Climate Accord	Annual disclosure of our carbon emissions and climate action plan	E	Global
Dutch Stewardship Code	Signatory	ESG	Netherlands
Eumedion Corporate Governance Platform	Active as Chair and in committees	G	EU
European Leveraged Finance Association	Member	G	EU
Farm Animal Investment Risk & Return	Active in Engagement working group	S	Global
Finance for Biodiversity Pledge	Collaborate, share knowledge, engage with companies, assess impact, set targets before the end of 2024 on biodiversity, report publicly before 2025	E	Global
Finance Sector Deforestation Action	Active in Engagement working group	E	Global
Global Commission on Mining 2030	Participation in roundtables, lead roles in engagements with miners	E	Global
Hong Kong Principles for Responsible Ownership	Signatory	ESG	Hong Kong
ICGN Stewardship Guidelines	Signatory	ESG	Global
IMVB Convenant	Engagement working group	ESG	Netherlands
Institutional Investors Group on Climate Change	Participation in engagement and investor practices programs	E	Global
Interfaith Center for Corporate Responsibility	Member	S	Global
International Corporate Governance Network	Participation in conferences	G	Global
Investor Alliance for Human Rights	Part of Advisory Council	S	Global
Investor Mining and Tailings Safety Initiative	Active participation in Roundtables, lead roles in engaging with miners	E	Global
Investor Policy Dialogue on Deforestation	Co-chairing the workstreams involved in engaging with the governments of Brazil and Indonesia	E	Global
Japanese Stewardship Code	Signatory	ESG	Japan
Korean Stewardship Code	Signatory	ESG	Korea
Nature Action 100	One of founding members, we are leading and support corporate engagements	E	Global
Net-Zero Asset Managers Initiative	Set targets for decarbonization, define decarbonization actions, report progress	E	Global
PensioPlus	Member	S	EU
Platform Living Wage Financials	Member engagement Working Group Garments (work related to our Fashion Engagement fund)	S	Global
Powering Past Coal Alliance - Finance principles	Engage with companies on coal phase out by 2030 (DM) & 2040 (EM)	E	Global
Principles for Responsible Investment	Participate in committees to support our engagement activities	ESG	Global
Roundtable on Sustainable Palm Oil	Participate in the Financial Institutions Technical Forum to inform our palm oil approach	S	Global

Singapore Stewardship Principles	Signatory	ESG	Singapore
Swiss Sustainable Finance	Active member participation in events and workstreams	ESG	Switzerland
Taiwan Stewardship Code	Signatory	ESG	Taiwan
Task Force on Climate-related Financial Disclosures	Member	E	Global
Task Force on Nature-related Financial Disclosures	Member	E	Global
Transition Pathway Initiative (TPI)	Funding research partner, TPI information is used as input for our climate IP	E	Global
UK Stewardship Code	Signatory	ESG	UK
United Nations Global Compact	Signatory	ESG	Global
Valuing Water Finance Initiative	Engagement collaboration	E	Global
World Wide Fund	Collaboration to integrate biodiversity into asset management	E	Netherlands
Finance principles	Engage with companies on coal phase out by 2030 (DM) & 2040 (EM)	E	Global
Principles for Responsible Investment (PRI)	Annual assessment, Participate in committees to support our engagement	ESG	Global
Roundtable on Sustainable Palm Oil (RSPO)	Financial Institutions Technical Forum, to inform our palm oil approach	S	Global
Singapore Stewardship Principles	Signatory	ESG	Singapore
Swiss Sustainable Finance (SSF)	Active member participation in events and workstreams	ESG	CH
Taiwan Stewardship Code	Signatory	ESG	Taiwan
Task Force on Climate-related Financial Disclosures (TCFD)	Member	E	Global
Task Force on Nature-related Financial Disclosures (TNFD)	Member	E	Global
Transition Pathway Initiative (TPI)	Funding research partner, TPI is input for our climate IP	E	Global
UK Stewardship Code	Signatory	ESG	UK
United Nations Global Compact (UNGC)	Signatory; annual report on progress with our integrated report	ESG	Global
Valuing Water Finance Initiative	Engagement collaboration	E	Global
World Wide Fund	Collaboration to integrate biodiversity into Asset Management	E	Netherlands

Appendix 5: Definitions applied to key indicators

All key sustainability indicators listed are calculated based on the data at the end of the reporting period, unless otherwise specified.

Topic	Indicator	Brief description
Biodiversity	Exposure to biodiversity impacts and dependencies of our total client assets	This indicator shows how much our client assets are exposed to sectors with high or very high impacts and dependencies on nature. The client assets in scope include listed equities, corporate bonds, as well as treasury, government bonds, and securitized investments. Futures, ETFs, cash positions and swaps are not included. Our methodology assesses the exposure of total client assets to biodiversity impacts and dependencies by leveraging the Taskforce on Nature-related Financial Disclosures (TNFD) classification of high-impact and dependency sectors (identified in direct operations and upstream and downstream value chains of various sectors). By aggregating our client assets per sector, we gain a comprehensive view of their biodiversity-related exposure. Calculation Steps 1. Identifying Equity Positions classification: We extract an overview of all equity positions with the corresponding GICS Level 4 classifications. 2. Mapping Bond Positions: We extract an overview of all bond positions with the corresponding BCLASS classifications. Bond positions with BCLASS classifications are then mapped to GICS as described in the Assumptions section. 3. Assigning Sector Impact and Dependency Levels: Each position is assigned an impact and dependency level based on GICS4 classifications aligned with TNFD guidance. 4. Aggregating High-Impact Sector Positions: The total market value in EUR of all positions classified as high-impact sectors is summed. Assumptions Given that there is no GICS classification coverage for bond instruments, developed a structured mapping approach using Bloomberg classifications to determine their biodiversity exposure. Process: 1. Issuer-Level Data: Obtain both GICS and BCLASS classifications per issuer. 2. Classification Alignment: Analyze the relation between BCLASS and GICS Level 4 classifications. 3. Sector Mapping: Develop a mapping method aligning BCLASS sub-industries to corresponding GICS Level 4 sub-industries. The steps taken are: • Analyze the frequency of BCLASS classifications associated with each GICS Level 4 classification across all issuers. • For each GICS Level 4 category, identify the most frequently occurring BCLASS 4 classification combination. • If a BCLASS classification appears in more than 50% of instances of the highest count for a specific GICS Level 4 category, include it in the mapping list.
Business conduct	Critical concerns / grievances	Critical concerns/grievances include concerns about the potential and actual negative impacts on stakeholders raised through grievance mechanisms and other processes. The grievance mechanism facilitates the submission of external statements of dissatisfaction confidentially, and those making the complaint can remain anonymous through representation by a third party.
	Number of legal proceedings outstanding for late payments	This indicator represents the number of ongoing legal proceedings for late payments by Robeco to its suppliers at the end of the reporting year.
	Payment terms to suppliers	This indicator displays the contractual payment terms between Robeco and its suppliers, expressed in days. We also indicate the percentage of invoices which we pay in line with the contractual payment terms. In our calculation we assume that the number of days between the invoice and payment data cannot be negative.
	Number of complaints filed by the own workforce (integrity incidents)	This metric indicates the number of complaints (integrity incidents) submitted through internal channels by our workforce during the reporting period. Any violation of our code of conduct is considered an integrity incident, and employees that become aware of suspected or actual violations of the code of conduct are encouraged to report them.
	Number of incidents of discrimination	This indicator reports the total number of incidents of discrimination, including harassment, in the reporting period.
	Amount of fines, penalties, and compensation for damages as a result of incident of discrimination	This indicator shows the total amount of fines (in euros) paid due to incidents of discrimination, including harassment, during the reporting period.

Climate change	Total client assets in scope[108]	scope represent the market value of the listed equity and fixed income holdings in Robeco's funds and segregated client mandates which are in scope for the relevant asset class being reported upon. 1. For listed equities and corporate bonds (corporates): all issuers that have Bloomberg sector level 1 classification 'Corporate' and all issuers that have level 2 classification 'Agencies' which are regarded as corporate issuers. In addition, derivatives, cash and securitized derivatives are not in-scope. 2. For government bonds: all issuers that have a Bloomberg Level 2 sector classification equal to Treasuries or Sovereign. We also included the EU, which is classified as supranational, but should in our view be regarded as a sovereign issuer. All climate change data points are calculated at the end of the reporting period. To calculate this indicator we follow the definitions and calculation guidance from PCAF, TCFD, GRI 305-1, 305-2 and 305-3 , ESRS E1-4_04; ESRS E1-6_11
	Carbon footprint of investments – scope 3 downstream	This is the sum of the financed emissions of Robeco's listed equity, corporate bonds and government bonds total client assets. We report on this indicator by following the definitions and calculation guidance from the PCAF Global GHG Standard, which are also consistent with those in the TCFD and GRI 305-3 standards, and we consider ESRS E1-4_04 and ESRS E1-6_11 Note, carbon data typically has a 2-year time lag. This means for Trucost, for example, in June of year x, we start using carbon emissions and financial data of fiscal year x-2. Assumptions we make in relation to this indicator is that We rely on third party carbon emissions data (Trucost and CDP) where some of the data is estimated. Also, we use sector defaults when we do not have carbon emissions intensity data available. More information on how scope 3 downstream emissions are calculated can be found in Calculating our carbon emissions appendix.
	Coverage for financed emissions	The coverage for financed emissions measures the percentage of total client assets for which CO2 emissions economic emissions intensity data is available as a percentage of the total client assets in scope. In arriving to this indicator, we follow the guidance from the TCFD, GRI 305-1, 305-2, 305-3, 305-4, ESRS E1-4_04, and ESRS E1-6_11 standards. Assumptions in relation to this indicator are made in the sense that we rely on third party carbon emissions data (Trucost and CDP), of which some data is estimated. We validate the reported information on plausibility. The percentage of estimated data will fluctuate over time and the impact will vary with the exposure we have towards investee companies.
	Economic emission intensity	Economic emission intensity measures the exposure of portfolios to carbon-intensive assets. It is equal to the financed emissions divided by the total client assets in scope. We follow the guidelines from the TCFD, PCAF and GRI 305-4, ESRS E1-4_04, and ESRS E1-6_11 standards in arriving to this indicator. Assumptions in relation to this indicator are made in the sense that we rely on third party carbon emissions data (Trucost and CDP), of which some data is estimated. We validate the reported information on plausibility. The percentage of estimated data will fluctuate over time and the impact will vary with the exposure we have towards investee companies.
	Energy mix of energy-related holdings in the benchmark	Energy mix of energy-related holdings in the benchmark gives insight in the breakdown of energy-related exposure by energy type in Robeco's aggregated benchmark. The benchmark used is an aggregation of each of the performance benchmarks of the underlying funds, weighted by total client assets of the respective funds. This gives an idea of what the market energy mix exposure is, putting Robeco's reported figures into context. Calculated as the exposure to each relevant company times the company's percentage of total revenues derived from energy production, generation and supporting products and services for oil & gas, thermal coal, nuclear and renewables. Client assets in scope: Client assets (funds and mandates for which we have assets under management, excluding assets under advice) positions as of end of 2024. This includes the sum of position market values in Euro (listed equities and corporate bonds), and excludes treasuries, government related (Local Authorities and Sovereign) bonds, cash and derivatives (positions which do not have energy data).
	Energy mix of Robeco's energy-related holdings	The energy mix of Robeco's energy-related holdings is a breakdown of Robeco's energy-related investments by energy type. The exposure is calculated as the weighted average of the energy-related revenues (in % of total revenues) of portfolio holdings, weighted by holding amount. Energy-related revenues are based on data from Sustainalytics' product involvement and sustainable products datasets. These include revenues from the generation, production, extraction and supporting of products and services for oil & gas, thermal coal, nuclear and renewables. Client assets in scope: Client assets (funds and mandates for which we have assets under management, excluding assets under advice) positions as of end of 2024. This includes the sum of position market values in Euro (listed equities and corporate bonds), and excludes treasuries, government related (Local Authorities and Sovereign) bonds, cash and derivatives (positions which do not have energy data).
	Financed emissions	Financed emissions are the total amount of greenhouse gas (GHGs) emissions attributed to our in scope investment portfolio. We report on this indicator by following the definitions and calculation guidance from the Partnership for Carbon Accounting Financials (PCAF) Global GHG Standard, which are also consistent with those in the TCFD and GRI 305-1, 305-2, 305-3 standards, as well as ESRS E1-4_04 and ESRS E1-6_11. Assumptions: We rely on third party carbon emissions data (Trucost and CDP) where some of the data is estimated. Also, we use sector defaults when we do not have carbon emissions intensity data available.

108. We use this scope when reporting on all climate indicators described in this overview, with the exception of the two energy mix indicators which have a different scope, outlined in the overview.

	Financed emissions (government bonds)	government bonds, divided by the total client assets in government bonds. In so doing, we provide a normalized figure comparable across asset managers, regardless of the total client assets managed. We report on this indicator by following the definitions and calculation guidance from the Partnership for Carbon Accounting Financials (PCAF) Global GHG Standard, which are also consistent with those in the TCFD and GRI 305-1, 305-2, 305-3 standards, as well as ESRS E1-4_04 and ESRS E1-6_11.
	PCAF data quality score	The PCAF data quality score, as defined by the PCAF Global GHG Standard, represents a data quality score. The score ranges from 1 to 5, with 1 representing certain data and 5 uncertain data. For all corporate holdings, we report the scores of only scope 1 emissions. We will investigate whether we can make an overall score including other scopes. We employ data from our 3rd party data provider – Trucost, who provides the disclosure type for the emissions data per each holding and each emissions scope. We use Trucost's correspondence table to match the disclosure type with the appropriate PCAF quality score. We take a weighted average of all PCAF data quality scores across the holdings in scope. One note is that Trucost does not always provide exact PCAF scores per disclosure type, but also ranges like "1 or 2". In cases such as that we will take the average score. Assumptions in relation to this indicator are that Trucost maps many emission disclosure categories to "1 or 2". We use the average (1.5) where this is the case.
	Production emissions intensity (government bonds)	The production emissions intensity for government bonds indicates the financed emissions attributed to government bonds divided by the government bonds total client assets in scope. This provides a normalized figure which is comparable across asset managers, regardless of the size of their assets. In arriving to this indicator, we follow the guidance from the TCFD, GRI 305-1, 305-2, 305-3, 305-4 standards, as well as ESRS We report on this indicator by following the definitions and calculation guidance from the Partnership for Carbon Accounting Financials (PCAF) Global GHG Standard, which are also consistent with those in the TCFD and GRI 305-1, 305-2, 305-3 standards, as well as ESRS E1-4_04 and ESRS E1-6_11.
	Weighted average emission intensity	The weighted average emission intensity metric estimates our portfolio's exposure to emission intensive companies, expressed as tonnes of CO2 emissions divided by the company revenue (in million euros). In arriving to this indicator, we follow the guidelines from the TCFD, PCAF and GRI 305-4 standards, as well as ESRS We report on this indicator by following the definitions and calculation guidance from the Partnership for Carbon Accounting Financials (PCAF) Global GHG Standard, which are also consistent with those in the TCFD and GRI 305-1, 305-2, 305-3 standards, as well as ESRS E1-4_04 and ESRS E1-6_11. Assumptions in relation to this indicator are made in the sense that we rely on third party carbon emissions data (Trucost and CDP), of which some data is estimated. We also use sector defaults when we do not have carbon emissions intensity data available.
Engagement	Assets under engagement	The assets under engagement figure indicates the value of Robeco's equity and credit portfolios for which our in-house active ownership team conducts engagements. In other words, this indicator is the sum of the total client assets for which we engage with companies.
	Engagement cases	The engagement cases indicate the total number of dialogues with companies on the several engagement topics.
	Engaged companies	The engaged companies key indicator reflects the total number of companies that have been engaged in the reporting year. A company can be engaged on multiple topics, if this is the case multiple engagement cases will run simultaneously for the same company.
	Percentage of cases closed successfully	This indicator reflects the percentage of engagement cases that have been closed successfully during the reporting year. For each engagement case, engagement objectives are determine. If for more than half of these objectives the company has made sufficient progress, the overall engagement is closed successfully.
	Number of engagement themes	This indicator shows the number of engagement themes that are chosen for this reporting year. The engagement themes are categorized by environmental, social, and corporate governance factors, as well as global controversies and Sustainable Development Goals engagements.
Equal Oppor-tunities / non-discri-mination	Women to men fixed remuneration percentage	The women to men fixed remuneration percentage captures the fixed remuneration for women compared to men, expressed as a percentage. The fixed remuneration includes holiday allowance and 13th and 14th month salary, but excludes bonuses, first year at target, etc.
	Women-to-men total remuneration percentage	The women to men total remuneration percentage captures the difference in average gross hourly earnings between women and men, expressed as percentage. This indicator is calculated by dividing the average gross hourly earnings of all females by the average gross hourly earnings of all males and multiplied by 100 and shown in percentages. The indicator is based on employees working for Robeco at the end of the year and remuneration is calculated based on full-time equivalent. Remuneration for employees that did not work for Robeco the full year, has been included as if they did. The indicator follows the guidance from GRI 405-2 and ESRS S1 par. 97a
	Annual total compensation ratio	This ratio indicates the annual total compensation for the organization's highest paid individual compared to the median annual total compensation for all employees (excluding the highest paid individual). Total compensation takes both fixed remuneration and variable remuneration into account. The indicator is based on employees working for Robeco at the end of the year and remuneration is calculated based on full-time equivalent. Remuneration for employees that did not work for Robeco the full year, has been included as if they did. The indicator follows the guidance from GRI 405-2 and ESRS S1 par. 97a.

	Annual percentual total compensation increase ratio	This ratio compares the percentual increase in annual total compensation for the organization's highest-paid individual, to the median percentage increase in annual total compensation for all employees (excluding the highest paid individual). The percentual increase in total compensation takes both fixed remuneration and variable remuneration into account, and follows the guidance from GRI 2-21 b. The indicator is based on employees working for Robeco at the end of the year and remuneration is calculated based on full-time equivalent. Remuneration for employees that did not work for Robeco the full year, has been included as if they did. The indicator follows the guidance from GRI 405-2 and ESRS S1 par. 97a.
	Employee engagement	The employee engagement score reflects the degree to which our colleagues feel connected to their work, their colleagues, and the wider business. It helps us understand what areas we are doing well in, and what areas have room for improvement. The score ranges from 0 (the lowest score) to 10 (the highest score). All Robeco employees received an invite for the survey in the last quarter of 2024, except for interns.
	Gender distribution per employment category	The gender distribution per employment category indicator reflects the gender distribution (male / female) for the categories Professionals, Senior Professionals, and ExCo, and follows the guidance from GRI 405-2.
	Gender distribution per reporting year	The gender distribution per reporting year indicators reflects the percentual gender distribution (male / female) for the last three years, and follows the guidance from GRI 405-2.
	Age distribution per employment category	The age distribution per employment category indicates the distribution of employees in the categories below 30, 30-50, and older than 50 years old. These numbers are provided for all employees, and separately for the ExCo, Senior Professionals, and Professionals, and follow the guidance from GRI 405-2.
Human Resources	Headcount	The headcount indicates the total number of employees at the end of the reporting period. The headcount number follows guidance by ESRS S1-6 par. 50a.
	Full-time equivalent	The full-time equivalent number reflects the total full-time positions in the organization. Employees that work parttime are included proportionally in this number. The full-time equivalent indicator follows guidance from ESRS S1-6 50b and ESRS S1-6 par. 51.
	Employee turnover	Employee turnover indicates the number of employees who have voluntarily left the company during the reporting year. both the number and percentage of voluntarily employee turnover are reported. The turnover numbers follow guidance from ESRS S1-5 par. 50c.
	Number of contingent workers in the workforce	Contingent workers are employees that are not directly employed by Robeco, but self-employed people or agency workers. The indicator reflects the total number of contingent workers at the end of the reporting year. This indicator follows the guidance from ESRS S1-7 par. 55a.
	Employees covered by Collective Bargaining Agreements	This indicator captures the percentage of employees covered by collective bargaining agreements. It does not include employees represented by works council or part of a trade union. This indicator follows the guidance from ESRS S1-8 par. 60a.
	Employees represented by workers representatives	The employees covered by workers representatives indicator reflects the number of employees per country that are represented by workers representatives. Workers representatives are defined as trade union representatives and representatives elected by the workers of the organization. This indicator follows the guidance from ESRS S1-8 par. 63a.
	Training hours per person for employees	The indicator reflects the average number of training hours per employee, and is split by gender. This indicator follows the guidance from ESRS S1-13 par. 83b. For this indicator we assume that the time spent by an employee is aligned with the prescribed duration related to the learning content.
Sustainable investing solutions	ESG integration of our total client assets total client assets	The ESG integration of our total client assets is an indicator which reflects the total value of our total client assets which integrate ESG considerations in their investment processes. In calculating this indicator the assumption is made that all material accounts are labeled correctly.
Voting	Assets under voting	The assets under voting figures are based on voting activities for Robeco's equity portfolios. The indicator reflects the total value of the total client assets for which Robeco's in-house active ownership team conducts voting activities.
	Number of shareholder meetings voted at	This indicator reflects the total number of shareholder meetings voted on at entity level by our in-house active ownership team. This includes proxy voting, which gives us a platform to voice our opinions and vote on topics such as board nominations, remuneration policies, shareholder proposals, and capital management practices.
	Number of countries voted in	This indicator reflects the number of different countries in which we have cast votes during the reporting period.
	Percentage of meetings with at least one vote against management	Robeco's in-house active ownership team is responsible for carrying out all of our stewardship activities, including exercising voting rights on stocks that our portfolios invest in. For this key indicator we report for what percentage of the meetings we have cast at least 1 vote against management.
	Proposals voted on	Robeco's in-house active ownership team is responsible for carrying out all of our stewardship activities, including exercising voting rights on stocks that our portfolios invest in. This indicator reports the total number of proposals voted on at entity level.

Appendix 6: Calculating our carbon emissions

Calculating our carbon emissions

1. For the carbon metrics of relevant investments for 2023 (Scope 3 downstream), our data provider Trucost uses EPA's emissions factors and global warming potential (GWP) rates (refer to Greenhouse Gases Equivalencies Calculator - Calculations and References | US EPA)
2. To calculate our operational carbon footprint (Scope 1, 2 and 3 Upstream), we used the conversion factors listed in the table below.

Conversion factors for CO_{2e} emissions 2024

Travel by lease car	Source	Factor	unit
Lease cars – Petrol	www.co2emissiefactoren.nl/Brandstoffen voertuigen/Benzine (E95)(NL)/WTW	2.821	kg CO_{2e} per liter
Lease cars – Diesel	www.co2emissiefactoren.nl/Brandstoffen voertuigen/Diesel(NL)/WTW	3.256	kg CO_{2e} per liter
Lease cars – Electricity Green	www.co2emissiefactoren.nl/Brandstoffen voertuigen/Groene stroom	0	kg CO_{2e} per kWh
Lease cars – Electricity Grey	www.co2emissiefactoren.nl/Elektriciteit/Grijze stroom	0.536	kg CO_{2e} per kWh
Energy location based			
Energy location based	www.co2emissiefactoren.nl/Elektriciteit/Grijze stroom	0.536	kg CO_{2e} per kWh
Wind Energy	www.co2emissiefactoren.nl/Elektriciteit/Groene stroom	0	kg CO_{2e} per kWh
Heating	DEFRA conversion factors 2023 - district heat and steam	0.17965	kg CO_{2e} per GJ
Business travel			
<460km – Average passenger	DEFRA conversion factors 2021 - Business travel - air for Radiative Forcing - Domestic	0.27257	kg CO_{2e} per km
>460km, <3700km – Economy clas	DEFRA conversion factors 2021 - Business travel - air for Radiative Forcing - Short haul	0.18287	kg CO_{2e} per km
>460km, <3700km – First/Business class	DEFRA conversion factors 2021 - Business travel - air for Radiative Forcing - Short haul	0.27430	kg CO_{2e} per km
>3700km – Economy class	DEFRA conversion factors 2021 - Business travel - air for Radiative Forcing - Long haul	0.20011	kg CO_{2e} per km
>3700km – First/Business class	DEFRA conversion factors 2021 - Business travel - air for Radiative Forcing - Long haul	0.58028	kg CO_{2e} per km
Travel by public transport Generic	www.co2emissiefactoren.nl/Personenvervoer/OV Algemeen/Voertuigtype onbekend	0.020	kg CO_{2e} per km
Travel by public transport Bus/Metro/Train	www.co2emissiefactoren.nl/Personenvervoer/OV Algemeen	0.075	kg CO_{2e} per km
Travel by public transport Bus	www.co2emissiefactoren.nl/Personenvervoer/OV/Bus	0.109	kg CO_{2e} per km
Travel by public transport Taxi	www.co2emissiefactoren.nl/Personenvervoer/Auto/Brandstof onbekend	0.193	kg CO_{2e} per km
Travel by private car	www.co2emissiefactoren.nl/Personenvervoer/Auto/Brandstof onbekend	0.193	kg CO_{2e} per km
Work from home			
Energy work from home	www.co2emissiefactoren.nl/Elektriciteit/Grijze stroom	0.536	kg CO_{2e} per kWh
Hotel			
Hotel stays	20200322-CNG-Review_emissiefactoren_2019_2020_toelichting-final (1).pdf	24.5	kg CO_{2e} per one day stay
Drink water			
Water	www.milieubarometer.nl	0.298	kg CO_{2e} per m3
Paper consumption			
Office paper	www.milieubarometer.nl	1.21	kg CO_{2e} per kg
Waste			
Glas	CE Delft 2007 Milieukentallen van verpakkingen	0.443	kg CO_{2e} per kg
Wood	CE Delft 2007 Milieukentallen van verpakkingen	0.0	kg CO_{2e} per kg
Swill	CE Delft Afvalverwerking en CO_2 (pag. 40 par. 5.3.5)	0.051	kg CO_{2e} per kg
Paper & paperboard	CE Delft 2007 Milieukentallen van verpakkingen	0.676	kg CO_{2e} per kg
Residual waste	Van Dorp installatiebedrijven B.V.	1.203	kg CO_{2e} per kg

Appendix 7: Governance of sustainable investing

Executive Committee						
Sustainability & Impact Strategy Committee 12 members, consisting of members of the executive committee, senior managers and sustainability specialists who oversee and drive sustainable investing. Chair: Head of Sustainable Investing						
Climate Change Committee	Biodiversity Committee	SDG Committee	Social Issues Taskforce	Sustainable Investing Research Board	Controversial Behavior Committee	Sustainable Investing Expert Committee
Responsibility						
Oversight of climate change-related topics, adapting existing investment strategies, risk management, and active ownership activities, as well as developing new products.	To act as central group of competence on biodiversity related topics. Its purpose is to oversee, coordinate and drive Robeco's approach to biodiversity in an overarching and leading strategy.	Maintaining and updating SDG mapping framework, systems and processes that are of the highest quality, including the assessment of proposed amendments to the framework.	To further institutionalize our social issues approach and develop a social issues framework and roadmap to ensure that we implement our commitments consistently.	To ensure a close connection between research and investment activities, the research board discusses and monitors focus, prioritization and quality of SI research.	Oversight decision-making body for controversial behaviors of companies and implications to Robeco's investments and outcomes of other Enhanced Engagement processes.	To act as a central group to oversee regulatory, operational and organizational impacts of sustainable investing regulations, changes and developments.
Chair						
Climate & Biodiversity Strategist	Climate Strategist	SDG Strategist	Social issues specialist	Head SI Research	Controversy specialist	Regulatory product specialist

Glossary

Active ownership
Involves engaging with the companies we invest in on their ESG policies and performance and exercising voting rights at shareholder meetings.

Assets under advice
These are the assets related to our Index business and our advisory mandates. For both products we deliver a customized model portfolio that clients use to manage their assets. The client retains the final decision-making authority when it comes to the actual asset allocation.

Assets under management
These assets are managed or distributed by Robeco. We also include sub-advised assets for which we have selected a third-party asset manager to perform the asset management activities on our behalf.

Benchmark
An index that serves as a reference point for a portfolio's composition and investment performance.

BREEAM
The Building Research Establishment Environmental Assessment Method. A method that assesses buildings according to a range of environmental factors, including energy and water use, health and wellbeing, pollution, transport, materials, waste, ecology and management processes. Buildings are rated 'Acceptable', 'Pass', 'Good', 'Very Good', 'Excellent' or 'Outstanding'. The assessment is carried out by independent licensed experts.

Business ethics
The moral principles, policies and values that govern how Robeco and its employees engage in business activities.

Climate transition risk
The financial risks involved in the move to a low-carbon economy. These can result from policy and legal changes, technological developments and market and reputational risks.

Code of conduct
Principles, values, standards and rules of behavior that guide the decisions, procedures and systems of an organization in a way that contributes to the welfare of its stakeholders and respects the rights of everyone affected by its operations.

Contingent workers
Employees that are not directly employed by Robeco, but indirectly through a third party.

Corporate governance
The system according to which corporations are directed and controlled. The corporate governance structure specifies the distribution of rights and responsibilities among different parts of a company, such as the board, managers, shareholders and other stakeholders, and defines the rules and procedures for making decisions.

Corporate responsibility
An umbrella term referring to a company's obligation to consider the social and environmental impacts of its activities.

Credits
Credits (also known as corporate bonds) are debt securities that a company sells to raise money. Investors who buy corporate bonds are lending money to the company in exchange for interest payments and the return of their original investment when the bond matures.

Cybersecurity
Methods used to protect our electronic data, information, systems and applications from being stolen, compromised or attacked to ensure their availability, integrity and confidentiality.

Electronic Data Gathering, Analysis and Retrieval system (EDGAR)
A global database of anthropogenic emissions of greenhouse gases and air pollution. EDGAR provides emission estimates independent of those reported by all other bodies and countries. More information about EDGAR is available at EDGAR - The Emissions Database for Global Atmospheric Research (europa.eu).

Emerging markets
A highly diverse group of countries at different stages of development. An emerging market can be seen as transitioning from the 'developing' phase into the 'developed' phase.

Employee engagement
An employee's commitment to the company they work for and its goals on a professional and personal level.

Engagement
Interactions with companies or governments about ESG issues with the aim of improving their practices linked to those issues. Robeco's engagements with companies typically take three years to complete and apply pre-determined, measurable engagement objectives.
Enterprise Value Including Cash (EVIC)
A measure of a company's total value, including its market capitalization, short- and long-term debt, any cash or cash equivalents, and non-controlling interests on the company's balance sheet.

Entity-level disclosure
A disclosure is developed by the entity itself when the material sustainability matter is not covered by an ESRS or is covered with insufficient granularity.

Environmental footprint
The impact of a person, company or community on the environment, often expressed in terms of the amount of land required to sustain its use of natural resources or the total amount of CO2 produced in its consumption of resources.

Equity
From a financial perspective, any stocks or other securities representing ownership interest in a company.

From a social perspective, ensuring that there are equal opportunities for everyone, including people or groups of people who have historically had less access to them.

ESG factors
Environmental, social and governance issues that may be used to screen investments. Environmental factors consider how a company affects the natural environment. Social factors assess how a company manages relationships with its employees, suppliers, customers and the communities in which it operates. Governance factors consider a company's leadership, executive pay, internal controls, audits and shareholder rights.

Exchange-traded funds (ETFs)
A type of investment fund that can be traded on a stock exchange in the same way as an individual stock.

Exclusion
The elimination of certain companies and governments from the pool of securities from which we can choose investments.

Financed emissions
The indirect greenhouse gas emissions attributable to financial institutions due to their involvement in providing capital or financing to the original emitter.

Fundamental investing
A method of evaluating securities to measure their intrinsic value by assessing a range of qualitative and quantitative economic, financial and other factors.

Government bonds
Debt securities issued by a government to finance its spending.

Greenwashing
A practice in which sustainability-related statements, declarations, actions or communications do not clearly and fairly reflect the underlying sustainability profile of an entity, financial product or financial service. This practice may be misleading to consumers, investors or other market participants.

Human rights
Human rights are rights inherent to all human beings, regardless of their race, sex, nationality, ethnicity, language, religion, or any other status. Human rights include the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many more. Everyone is entitled to these rights, without discrimination.

Inclusion
The creation of an organizational culture in which anyone should feel comfortable, valued and respected, and ensuring that all employees are empowered to contribute to their part of the business process.

Institutional investor (or institutions)
A non-bank entity or organization that trades securities in large quantities and has direct access to financial markets.

Intellectual property
Knowledge, creative ideas or expressions that have commercial value and are protectable under copyright, patent, service mark, trademark or trade secret laws. Intellectual property includes brand names, discoveries, formulas, inventions, knowledge, registered designs and software. It is one of the most readily tradable properties in the digital marketplace.

Investment grade
A measure of the quality of a company's bonds. Investment grade issues are considered to involve lower risk than high yield issues. In order to be deemed investment-grade, a bond must be rated BBB (or equivalent) or higher by Standard & Poor's or Moody's.

Investment performance
The financial return produced by an investment.

Investment universe
All of the securities that an investment strategy can invest in. Securities outside the investment universe are not eligible for investment.

Hub
Robeco offices outside of Rotterdam that have specific expertise or capabilities. Currently Robeco has three hubs: Zurich with expertise in in thematic investing and sustainability; London which provides us with access to rare talent and is located in a global financial center; and Hong Kong where we provide key operational support to our offices in the Asia-Pacific region.

License to operate
A formal license to operate grants an entity permission to undertake trade or carry out a business activity, subject to the regulations or supervision of the licensing authority. A social license to operate involves public acceptance of a company's presence and business activities.

Margin portfolio
The revenues (margin) that Robeco generates as a result of the fees it receives for the investment services it provides to its clients. These fees are often expressed in basis points in relation to the value of client assets.

Market-weighted average EVIC growth factor
A metric used to adjust the carbon footprint of a portfolio by accounting for changes in Enterprise Value Including Cash (EVIC). It is calculated by first determining the EVIC returns for all fiscal years and all companies in the portfolio. Then, the inflation adjustment factor for each benchmark can be derived as the weighted average EVIC return, using the benchmark weights from the relevant date. In simpler terms, it provides a way to assess the average growth in value of the companies within a portfolio or index, adjusted for their market capitalization.

Material topics
Material topics are identified by Robeco as sustainability matters associated with material impacts, risks, and opportunities related to Robeco's business activities from an impact or financial perspective, or both, considering its specific circumstances. This definition aligns with CSRD.

Modern slavery
Situations of exploitation that a person cannot escape from because of threats, violence, coercion, deception or the abuse of power.

Nature-related physical risks
Financial risks resulting from the

degradation of nature and loss of ecosystem services.

Nature-related transition risk
Financial risks resulting from actions or processes undertaken by organizations or society to protect, restore and/or reduce negative impacts on nature. These risks include regulatory changes, technological developments and changing consumer and investor expectations. For example, if a government introduces stricter regulations to protect biodiversity, businesses that rely on activities harmful to ecosystems may face increased costs or operational changes.

Non-material topics
Non-material topics are topics not deemed as material as part of our Double materiality assessment.

Permanent employees
Employees who are hired directly by Robeco and have an indefinite contract.

Physical climate risk
Risks resulting from extreme weather events such as flooding, snowfall, storms, high winds and wildfires. They can be split into chronic and acute risks. Chronic risks arise from gradual changes in weather conditions and temperatures, while acute risks are associated with extreme weather events such as cyclones and floods. Physical risks due to climate change may take a long time to materialize, and their present value is much larger than for transition risks.

Product-level disclosures
Refers to pre-contractual information, information on websites and information about the environmental and/or social characteristics (or sustainable investment objectives) of financial products.
Quant/quantitative investing
An investment approach that involves selecting securities using advanced mathematical models, systems and data analysis.

Risk appetite
Risk appetite serves as a guiding principle ensuring that the level of risk assumed is consistent with predefined expectations and goals. At Robeco we define risk appetite at two levels: corporate risk appetite where we look at our own operations and portfolio risk appetite that is specific for each portfolio.

Scope 1/2/3 emissions
A measure of the greenhouse gas emissions that result from a company's activities in three respects:
- Scope 1 – direct emissions caused by the company while making its products or providing its services
- Scope 2 – direct emissions resulting from the generation of the electricity or heat needed to make the company's products or provide its services
- Scope 3 – indirect emissions resulting from the company's activities, either upstream from the supply of goods and services needed to make its products, or downstream from the usage of the products or services that it provides.

These scopes were developed under the Greenhouse Gas Protocol.

Social commitment
The social responsibility that an organization develops towards its community and that translates into a voluntary drive to improve general welfare above the needs of the individual company.

Stakeholder
A party that affects, or is affected by, an organization.

Stewardship
The use of influence by investors to encourage the companies they invest in to adopt good corporate governance, environmental and social practices.

Sustainability
The ability to sustain an activity indefinitely. This can be expressed in environmental, social or economic terms.

Sustainable investment
An approach to investment that considers how ESG criteria can help generate long-term financial returns and a positive impact on society and the environment. Based on Sustainable Finance Disclosure Regulation (SFDR) and EU taxonomy guidance, an investment can be deemed sustainable if it meets one or more of the following three criteria:

1. It contributes to an environmental or social objective as defined by the EU taxonomy.
   - Robeco assesses whether a company makes a substantial contribution to an environmental or social objective in three ways.
     - i. The method we use most to assess companies' contributions is our Sustainable Development Goals investment framework. This framework assesses companies based on their net impact on the 17 UN Sustainable Development Goals. Read more about our SDG Framework.
     - ii. For our climate funds, we define a sustainable investment as a company adhering to a Paris Aligned Benchmark (PAB) or Climate Transition Benchmark (CTB), as defined in the regulation 2019/2088 (SFDR).
     - iii. We assess green bonds' contribution to environmental objectives using our proprietary Green Bond framework.
2. It does no significant harm (DNSH) to any of the other objectives.
   - The DNSH assessment is integrated into the contribution assessment as described under bullet 1.
3. The company we are considering follows good governance practices.
   - There is more information about good governance on Robeco's website.

Sustainable Investing Open Access Initiative
An initiative through which Robeco is sharing its company SDG scores and Country Sustainability Rankings to stakeholders for free.

Sustainable Development Goals (SDGs)
A set of 17 goals developed by the United Nations to end poverty, protect the planet and ensure prosperity for all as part of a sustainable development agenda to be achieved by 2030.

Temporary workers
Employees with fixed-term contracts,

including those undertaking work on temporary projects and new employees on fixed-term contract of six to 12 months.

Total client assets

Our total client assets are comprised of assets under advice and assets under management.

Voting

Shareholder voting rights give investors the power to elect directors at companies' annual or extraordinary general meetings and make their views on significant issues that may affect the value of their shares known to a company's management and directors.

Wholesale investors

Entities that distribute investment solutions. Robeco's wholesale investors include:

- private banks
- retail banks
- family offices
- wealth managers
- fund platforms
- (independent) financial advisers
- insurance companies.

Abbreviation list

AFM	Autoriteit Financiële Markten (the Dutch financial regulator)
AFO	Anti-Fraud Officer
AI	Artificial Intelligence
CSRD	Corporate Sustainability Reporting Directive
DE&I	Diversity, Equity and Inclusion
DNB	De Nederlandsche Bank (the Dutch central bank)
DORA	Digital Operational Resilience Act
DUFAS	Dutch Fund and Asset Management Association
EFAMA	European Fund and Asset Management Association
ERG	Employee Resource Group
ERMC	Enterprise Risk Management Committee
ESG	Environmental, Social and Governance
ESRS	European Sustainability Reporting Standards
ETF	Exchange Traded Fund
ExCo	Executive Committee
FTE	Full-time Equivalent
GDP	Gross Domestic Product
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
IIRC	International Integrated Reporting Council
IRF	Integrated Reporting Framework
KPI	Key Performance Indicator
MiFID	Markets in Financial Instruments Directive
NGO	Non-governmental organization
OCE	ORIX Corporation Europe N.V.
PAC	Product Approval Committee
PCAF	Partnership for Carbon Accounting Financials
PRI	Principles for Responsible Investment
RCF	Robeco Control Framework
RCSA	Risk & Control Self Assessments
RIAM	Robeco Institutional Asset Management B.V.
SDGs	Sustainable Development Goals
SFDR	Sustainable Finance Disclosure Regulation
SISC	Sustainability & Impact Strategy Committee
TCFD	Task Force on Climate-related Financial Disclosures
TNFD	Taskforce on Nature-related Financial Disclosures
UCITS	Undertakings for Collective Investment in Transferable Securities
UN	United Nations

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Important information

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