ROBECO

**Factsheet** | Figures as of 31-03-2024

# RobecoSAM SDG Credit Income BxH EUR

RobecoSAM SDG Credit Income is an actively managed fund that invests in companies that contribute to realizing the UN Sustainable Development Goals (SDGs). The selection of these bonds is based on fundamental analysis. The fund will invest in a broad array of fixed income sectors and utilize income efficient implementation strategies. The fund takes into account the contribution of a company to the UN SDGs. The portfolio is built on the basis of the eligible investment universe and the relevant SDGs using an internally developed framework about which more information can be obtained via the website www.robeco.com/si. The fund's objective is to maximize current income.

**Evert Giesen, Reinout Schapers, Jan Willem Knoll**
**Fund manager since 20-04-2018**

## Performance

| | Fund |
|---|---|
| 1 m | 0.79% |
| 3 m | 0.48% |
| Ytd | 0.48% |
| 1 Year | 4.59% |
| 2 Years | -0.82% |
| 3 Years | -2.45% |
| 5 Years | 0.42% |
| Since 04-2018 | 0.44% |

Annualized (for periods longer than one year)
Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

## Calendar year performance

| | Fund |
|---|---|
| 2023 | 5.92% |
| 2022 | -12.88% |
| 2021 | -0.72% |
| 2020 | 5.25% |
| 2019 | 9.91% |
| 2021-2023 | -2.88% |
| 2019-2023 | 1.17% |

Annualized (years)

## Reference index

Bloomberg Customized BBB-BB rated Global Corporate index

## General facts

| | |
|---|---|
| Morningstar | ★★★ |
| Type of fund | Bonds |
| Currency | EUR |
| Total size of fund | EUR 1,287,209,830 |
| Size of share class | EUR 29,633,481 |
| Outstanding shares | 328,539 |
| 1st quotation date | 20-04-2018 |
| Close financial year | 31-12 |
| Ongoing charges | 1.22% |
| Daily tradable | Yes |
| Dividend paid | Yes |
| ex-ante RatioVaR limit | - |
| Management company | Robeco Institutional Asset Management B.V. |

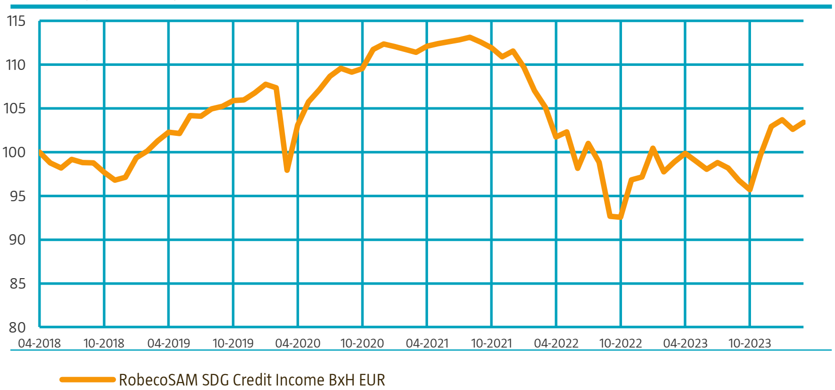
## Sustainability profile

- Exclusions+
- ESG Integration
- Target Universe

For more information on exclusions see https://www.robeco.com/exclusions/
For more information on target universe methodology see https://www.robeco.com/si

## Performance

Indexed value (until 31-03-2024) - Source: Robeco




## Performance

Based on transaction prices, the fund's return was 0.79%.
The total return was positive in March. Credit contributed positively to the total return over the month, while duration also contributed positively. The latter was largely driven by income from current yield levels. CoCo bonds continued to do well as the economy continues to do fine, which reduces risk of higher credit losses on bank balance sheets. Deutsche Bank did well as investors realize that the bank has manageable exposures to commercial real estate loans. In the mobile tower there was strong performance from the convertibles in Cellnex and Helios Tower. The position in Ardagh secured bonds contributed negatively.

## Market development

The US economy remains resilient after all the central bank tightening. Inflation has come down, although a return towards the Fed's target will take time. A soft landing scenario whereby rates will stay higher for longer has become the most likely scenario. With markets less concerned about recession, risk assets continued to do well in March. Although US 5-year treasury yields were relatively unchanged over the month, there was volatility during the month, driven by economic data releases. Technical demand for credit has remained extremely strong, even as spreads continued to grind tighter. Many market participants are primarily drawn to significantly higher 'all-in' yields. Supply in developed markets is decent but in emerging markets only a limited number of new deals was sold. Global High Yield Index spreads declined 13 bps to 3.82% and spreads on the Bloomberg Barclays Global Aggregate Corporates Index declined 6 bps to 1.00%. In emerging markets, the CEMBI spread declined 7 bps to 2.76%.

## Expectation of fund manager

The ideal scenario for credit appears to be materializing, characterized by declining inflation and the likely avoidance of a recession. Credit markets have wholeheartedly embraced this narrative and are to a large extent priced for perfection. While we acknowledge the high probability of the consensus scenario, we remain mindful of the fragility of sentiment and the omnipresence of risks in a changing world. Although index spreads are close to historical tight levels, there are still parts of the market that offer attractive yields or spreads. Attractive yields can still be found via selection of attractive sectors and issuers. All-in yield look attractive and given the continued strength of the economy, a large spike wider in spreads seems unlikely.

## Top 10 largest positions

The top ten positions mostly consist of high yield-rated corporates and holdings in subordinated financials. Our subordinated financials positions are mainly in Tier-2 securities. Our high yield holdings are to a large extent in subordinated financials.

## Fund price

| | | |
|---|---|---|
| 31-03-24 | EUR | 89.92 |
| High Ytd (01-02-24) | EUR | 91.06 |
| Low Ytd (16-02-24) | EUR | 89.24 |

## Fees

| | |
|---|---|
| Management fee | 1.00% |
| Performance fee | None |
| Service fee | 0.16% |

## Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)

| | |
|---|---|
| Issue structure | Open-end |
| UCITS V | Yes |
| Share class | BXH EUR |

This fund is a subfund of Robeco Capital Growth Funds, SICAV.

## Registered in

Austria, Belgium, France, Germany, Italy, Luxembourg, Netherlands, Portugal, Spain, Switzerland, United Kingdom

## Currency policy

All currency risks are hedged.

## Risk management

Risk management is fully embedded in the investment process to ensure that positions always meet predefined guidelines.

## Dividend policy

This share class of the fund will distribute dividend.

## Derivative policy

The fund make use of derivatives for hedging purposes as well as for investment purposes.

## Fund codes

| | |
|---|---|
| ISIN | LU1806347388 |
| Bloomberg | ROBCBXH LX |
| Valoren | 41363984 |

## Top 10 largest positions

| Holdings | Sector | % |
|---|---|---|
| Volkswagen International Finance NV | Industrials | 1.50 |
| Banco Santander SA | Financials | 1.48 |
| Barclays PLC | Financials | 1.35 |
| Banco de Sabadell SA | Financials | 1.23 |
| Rothesay Life PLC | Financials | 1.22 |
| Nationwide Building Society | Financials | 1.22 |
| Santander UK Group Holdings PLC | Financials | 1.20 |
| Bank of Ireland Group PLC | Financials | 1.15 |
| Societe Generale SA | Financials | 1.12 |
| AIB Group PLC | Financials | 1.12 |
| **Total** | | **12.58** |

## Statistics

| | 3 Years | 5 Years |
|---|---|---|
| Information ratio | 0.16 | 0.39 |
| Sharpe ratio | -0.34 | 0.13 |
| Alpha (%) | 0.43 | 0.76 |
| Beta | 1.03 | 0.94 |
| Standard deviation | 7.55 | 7.69 |
| Max. monthly gain (%) | 4.58 | 5.12 |
| Max. monthly loss (%) | -6.20 | -8.48 |

Above mentioned ratios are based on gross of fees returns

## Characteristics

| | Fund |
|---|---|
| Rating | BAA2/BAA3 |
| Option Adjusted Modified Duration (years) | 5.0 |
| Maturity (years) | 6.1 |
| Yield to Worst (%, Hedged) | 5.0 |
| Green Bonds (%, Weighted) | 9.8 |

## Sector allocation

The fund invests in investment grade credit, high yield and emerging markets. In our view most attractive value can be found in the financial sector. With more conviction in economic strength we added in for example automotive part manufacturers like Schaeffler and Forvia via primary markets.

| Sector allocation | |
|---|---|
| Financials | 44.4% |
| Industrials | 32.0% |
| Agencies | 5.3% |
| Utilities | 5.2% |
| Treasuries | 5.1% |
| Covered | 2.3% |
| ABS | 1.2% |
| Sovereign | 0.7% |
| CLO | 0.6% |
| Cash and other instruments | 3.3% |

## Currency denomination allocation

The currency exposure is hedged back to the fund's base currency.

| Currency denomination allocation | |
|---|---|
| Euro | 48.4% |
| U.S. Dollar | 37.9% |
| Pound Sterling | 10.4% |

## Duration allocation

The portfolio interest rate duration is 5 years.

| Duration allocation | |
|---|---|
| U.S. Dollar | 5.0 |
| Euro | 0.0 |
| Pound Sterling | 0.0 |

## Rating allocation

The majority of the fund is invested in the BBB-BB space.

| Rating allocation | |
|---|---|
| AAA | 4.1% |
| AA | 4.9% |
| A | 7.2% |
| BAA | 41.0% |
| BA | 35.3% |
| B | 2.8% |
| CAA | 0.3% |
| NR | 1.1% |
| Cash and other instruments | 3.3% |

## Subordination allocation

The fund holds a significant allocation to banking and insurance, mainly via subordinated bonds. During March, we added several Tier-2 positions; examples are the Spanish banks Bankinter and Unicaja.

| Subordination type allocation | |
|---|---|
| Senior | 59.8% |
| Tier 2 | 14.8% |
| Tier 1 | 11.2% |
| Hybrid | 10.5% |
| Subordinated | 0.4% |
| Cash and other instruments | 3.3% |

## ESG Important information

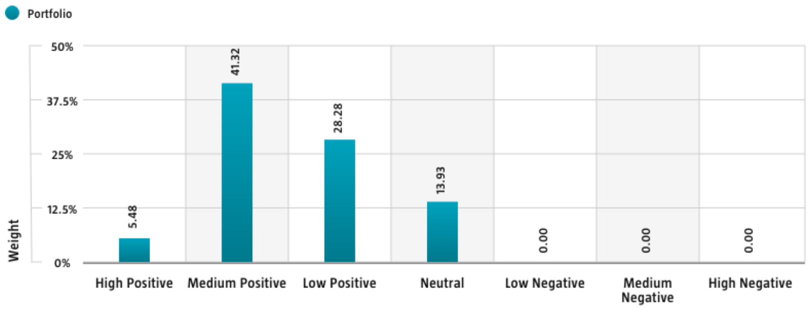
**The sustainability information in this factsheet can help investors integrate sustainability considerations in their process. This information is for informational purposes only. The reported sustainability information may not at all be used in relation to binding elements for this fund. A decision to invest should take into account all characteristics or objectives of the fund as described in the prospectus. The prospectus is available on request and free of charge on the Robeco website.**

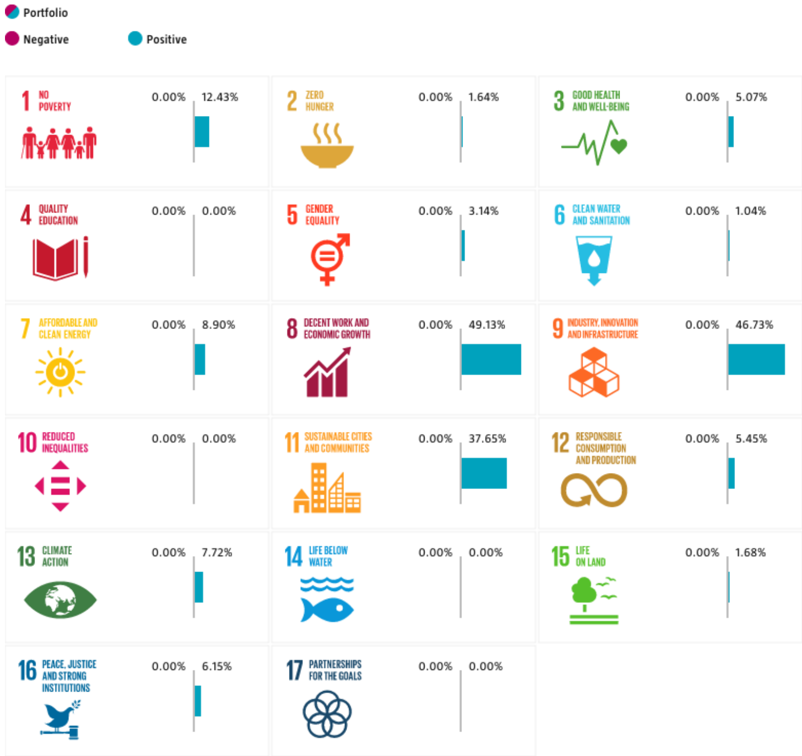
## Sustainability

Sustainability is incorporated in the investment process by the means of a target universe, exclusions, ESG integration, and a minimum allocation to ESG-labeled bonds. The fund solely invests in credits issued by companies with a positive or neutral impact on the SDGs. The impact of issuers on the SDGs is determined by applying Robeco's internally developed three-step SDG Framework. The outcome is a quantified contribution expressed as an SDG score, considering both the contribution to the SDGs (positive, neutral or negative) and the extent of this contribution (high, medium or low). In addition, the fund does not invest in credit issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. ESG factors are integrated in the bottom-up security analysis to assess the impact of financially material ESG risk on the issuer's fundamental credit quality. Furthermore, the fund invests at least 5% in green, social, sustainable, and/or sustainability-linked bonds. Lastly, where a credit issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to exclusion.
The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures.
The index used for all sustainability visuals is based on Bloomberg Customized BBB-BB rated Global Corporate index, 1-7 years (Hedged into EUR).

## SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco's SDG Framework. The framework utilizes a three-step approach to assess a company's impact alignment with the relevant SDGs and assign a total SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. For comparison, index figures are provided alongside that of the portfolio. Only holdings mapped as corporates are included in the figures.
Use of the United Nations Sustainable Development Goals (SDG) logos, including the colour wheel, and icons shall only serve explanatory and illustrative purposes and may not be interpreted as an endorsement by the United Nations of this entity, or the product(s) or service(s) mentioned in this document. The opinions or interpretations shown in this document hence do not reflect the opinion or interpretations of the United Nations.

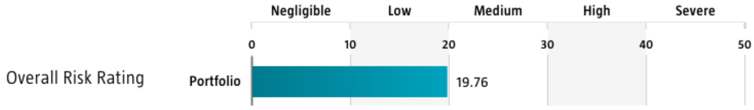


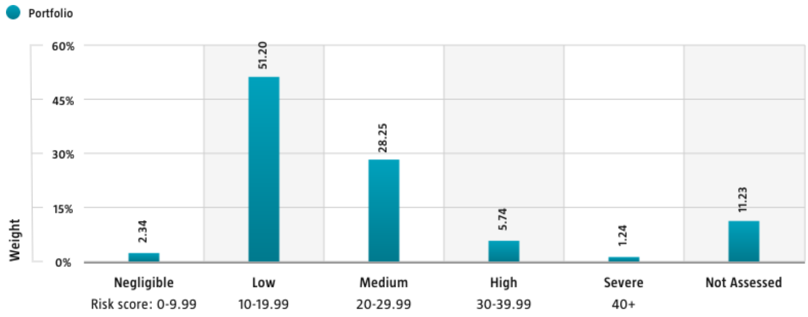




Source: Robeco. Data derived from internal processes.

## Sustainalytics ESG Risk Rating

The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio allocations broken into Sustainalytics' five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. Index scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index.
Only holdings mapped as corporates are included in the figures.






## Environmental Footprint

Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted average, multiplying each assessed portfolio constituent's footprint by its respective position weight. For comparison, index footprints are shown besides that of the portfolio. The equivalent factors that are used for comparison between the portfolio and index represent European averages and are based on third-party sources combined with own estimates. As such, the figures presented are intended for illustrative purposes and are purely an indication. Only holdings mapped as corporates are included in the figures.


Source: Robeco data based on Trucost data. *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## ESG Labeled Bonds

The ESG-labeled bond chart displays the portfolio's exposure to ESG-labeled bonds. Specifically, green bonds, social bonds, sustainability bonds, and sustainability-linked bonds. This is calculated as a sum of weights for those bonds in the portfolio that have one of above mentioned labels. Index exposure figures are provided alongside the portfolio exposure figures, highlighting the difference with the index.


| | Portfolio weight |
|---|---|
| Green Bonds | 9.68% |
| Social Bonds | 0.17% |
| Sustainability Bonds | 0.82% |
| Sustainability-Linked Bonds | 0.83% |

Source: Bloomberg in conjunction with data derived from internal processes. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg").

## Engagement

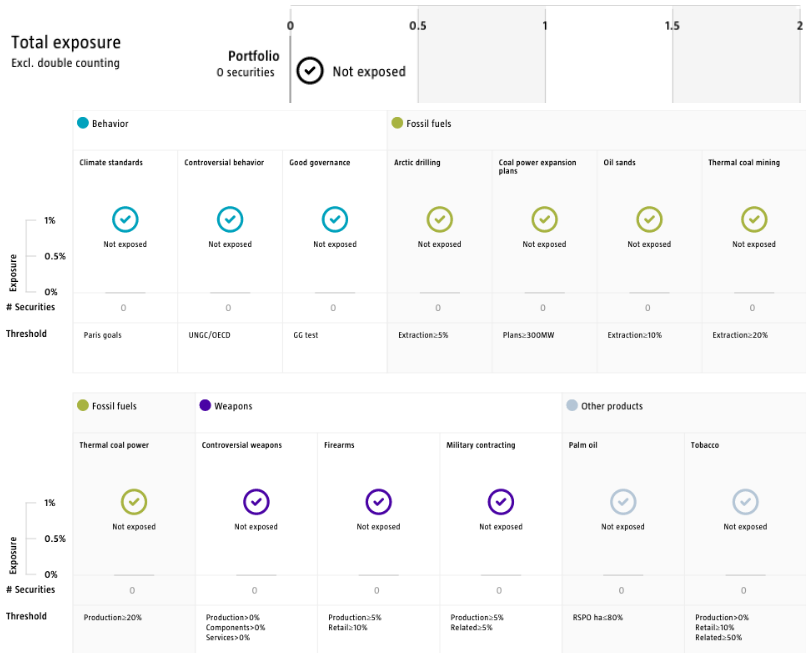
Robeco distinguishes between three types of engagement.
Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution.
Enhanced engagement is triggered by misconduct and focuses on companies severely breaching internationals standards. The report is based on all companies in the portfolio for which engagement activities have taken place during the past 12 months. Note that companies may be under engagement in multiple categories simultaneously. While the total portfolio exposure excludes double counting, it may not equal the sum of individual category exposures.

| | Portfolio exposure | # companies engaged with | # activities with companies engaged with |
|---|---|---|---|
| Total (* excluding double counting) | 7.22% | 15 | 52 |
| Environmental | 3.29% | 6 | 25 |
| Social | 1.44% | 5 | 13 |
| Governance | 0.82% | 1 | 4 |
| Sustainable Development Goals | 1.13% | 2 | 9 |
| Voting Related | 0.55% | 1 | 1 |
| Enhanced | 0.00% | 0 | 0 |

Source: Robeco. Data derived from internal processes.

## Exclusions

The Exclusions charts display the degree of adherence to exclusion applied by Robeco. For reference, index exposures are shown beside that of the portfolio. Thresholds are based on revenues unless otherwise indicated. For more information about the exclusion policy and which level applies, please refer to the Exclusion Policy and Exclusion List available on Robeco.com.




Source: We use several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available Exclusion Policy

## Investment policy

RobecoSAM SDG Credit Income is an actively managed fund that invests in companies that contribute to realizing the UN Sustainable Development Goals (SDGs). The selection of these bonds is based on fundamental analysis. The fund will invest in a broad array of fixed income sectors and utilize income efficient implementation strategies. The fund takes into account the contribution of a company to the UN SDGs. The portfolio is built on the basis of the eligible investment universe and the relevant SDGs using an internally developed framework about which more information can be obtained via the website www.robeco.com/si. The fund's objective is to maximize current income.
The fund has sustainable investment as its objective within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation. The fund advances the UN Sustainable Development Goals (SDGs) by investing in companies whose business models and operational practices are aligned with targets defined by the 17 UN SDGs. The fund integrates ESG (Environmental, Social and Governance) factors in the investment process, applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to normative, activity-based and region-based exclusions.
The investment policy of the fund is not constrained by a benchmark.

## Fund manager's CV

Evert Giesen is Portfolio Manager Investment Grade in the Credit team. Previously, he was an Analyst, responsible for covering the Automotive sector within the Credit team. Prior to joining Robeco in 2001, Evert worked at AEGON Asset Management for four years as a Fixed Income Portfolio Manager. He has been active in the industry since 1997 and holds a Master's in Econometrics from Tilburg University. Reinout Schapers is Portfolio Manager Investment Grade in the Credit team. Prior to joining Robeco in 2011, Reinout worked at Aegon Asset Management where he was a Head of European High Yield. Before that, he worked at Rabo Securities as an M&A Associate and at Credit Suisse First Boston as an Analyst Corporate Finance. Reinout has been active in the industry since 2003. He holds a Master's in Architecture from the Delft University of Technology. Jan Willem Knoll is Portfolio Manager Investment Grade in the Credit team. He joined the Credit team in 2016. Previously, Jan Willem headed the Financials Equity sell-side research team at ABN AMRO. He started his career in the industry in 1999 at APG, where he held several positions including Portfolio Manager of a global insurance portfolio and subsequently a pan-European financials portfolio. Jan Willem holds a Master's in Business Economics from the University of Groningen and he is a CFA® charterholder.

## Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

## Morningstar



## Sustainability images

The figures shown in the sustainability visuals are calculated on subfund level.

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