ROBECO

Factsheet | Figures as of 28-02-2022

RobecoSAM Global SDG Credits IH USD

RobecoSAM Global SDG Credits is an actively managed fund that invests in corporate bonds in the global developed and emerging markets. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long term capital growth.The fund invests at least two-thirds of its total assets in non-government bonds (which may include contingent convertible bonds (also "coco" bonds)) and similar non-government fixed income securities and asset backed securities from all around the world. The fund will not invest into assets with a rating lower than "B-" by at least one of the recognized rating agencies. The portfolio is built on the basis of the eligible investment universe and an internally developed SDG framework for mapping and measuring SDG contributions, about which more information can be obtained via the website www.robeco.com/si.

Victor Verberk,Reinout Schapers
Fund manager since 01-04-2019

Performance

	Fund	Index
1 m	-2.40%	-2.12%
3 m	-4.97%	-4.76%
Ytd	-4.95%	-4.71%
1 Year	-4.04%	-3.31%
2 Years	0.28%	-0.27%
3 Years	4.38%	3.99%
Since 05-2018	4.42%	4.20%

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	Index
2021	-1.51%	-0.79%
2020	10.53%	8.26%
2019	12.67%	12.51%
2019-2021	7.04%	6.51%

Annualized (years)

Index

Bloomberg Global Aggregate Corporates Index

General facts

Morningstar	★★★★
Type of fund	Bonds
Currency	USD
Total size of fund	USD 2,082,834,463
Size of share class	USD 35,373,993
Outstanding shares	295,333
1st quotation date	16-05-2018
Close financial year	31-12
Ongoing charges	0.53%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	5.00%
Management company	Robeco Institutional Asset Management B.V.

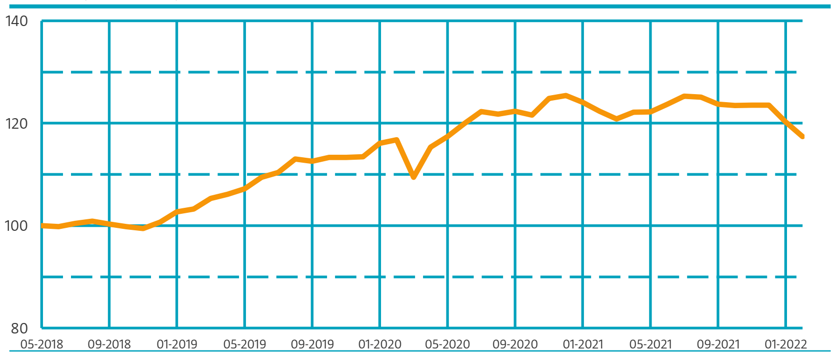
Sustainability profile

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 28-02-2022) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -2.40%.
The Global Aggregate Corporate Bond Index returned -2.17% (hedged to EUR) last month. The credit spread on the Global Aggregate Corporate Bond Index widened 25 basis points to 133%. US 10-year bond yields increased from 1.78% to 1.83%, and German 10-year yields increased by 13 basis points to 0.14%. The fund performed worse than the benchmark by -0.33%. The fund's beta was below one during the month, resulting in a positive contribution to performance. This was offset by our issuer selection and our swap position. The biggest movers were Raiffeisen Bank, Oracle and Cellnex. We continue to hold a position in swap spreads. We entered a trade where we are long 5-year European swap spreads. The contribution was negative last month, as swap spreads widened. We see swap spreads normalize during the first quarter of the year.

Market development

February was a month of two halves for markets. The first half was dominated by central banks being forced to embark upon a much more aggressive tightening cycle than anticipated, especially as inflation continued to surprise on the upside. In the second half, we saw a massive risk-off move prompted by the reality of Russia's invasion of Ukraine, which in turn triggered severe sanctions on Russia that have had a seismic market impact across multiple asset classes. The largest implications are felt by: the Russian MOEX Index down -50% (in USD terms), Brent moving above USD 100/bbl, European natural gas is +16%, wheat prices are up +20%, and every major credit index moved wider for the month. These rises in commodity prices are set to make life increasingly difficult for central banks. On the one hand, they are unable to take direct action to deal with the supply shock, but on the other, its consequences will be seen through stagflation, with the risk that higher inflation becomes entrenched over time. In China, the various measures aimed at improving property sales have not translated into improvement yet. With regard to Covid, most Western nations have abolished lockdowns and travel restrictions.

Expectation of fund manager

Imperfect information implies imperfect forecasts, which is especially true right now. With so many distorting elements at play, including severe global supply chain disruptions, there are no easy answers in predicting economic growth. As we consider all the evidence around corporate pricing power, policy stimulus and consumer spending behavior, we believe that US and European fundamentals will not be the key driver of credit markets in Q1 2022. The outlook might be more uncertain again, but corporate fundamentals are still strong. We think there are certain risk factors that are not sufficiently priced in yet, like geopolitical risks around Russia and the growth impact of the Chinese real estate meltdown. Central bank activity and communication might cause a bout of risk aversion after years of increased risk taking by asset owners. This means we see plenty of reasons to enter 2022 with a fairly cautious positioning. We aim for a portfolio beta that is below one, though we do see opportunities still in financials, BB-rated credit, Euro swap spreads or Covid-recovery plays. Continued strong fundamentals could result in an above-average amount of rising stars.

Top 10 largest positions

In our portfolio management, the most relevant issuer positions are those measured in risk points (weight x spread x duration). Our largest holdings are names in a variety of sectors and countries. Top holdings are Raiffeisen Bank, Deutsche Bank, Banco de Sabadell, Suzano and Oracle.

Fund price

28-02-22	USD	117.82
High Ytd (04-01-22)	USD	122.92
Low Ytd (24-02-22)	USD	117.05

Fees

Management fee	0.40%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.00%

Legal status

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

Issue structure	Open-end
UCITS V	Yes
Share class	IH USD

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

Registered in

Austria, Germany, Italy, Luxembourg, 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 does not distribute dividend.

Derivative policy

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

Fund codes

ISIN	LU1811861787
Bloomberg	RGSDGIH LX
WKN	A2PSTV
Valoren	41496946

Top 10 largest positions

Holdings	Sector	%
Bank of America Corp	Financials	1.73
Deutsche Bank AG	Financials	1.62
CaixaBank SA	Financials	1.56
Banco de Sabadell SA	Financials	1.52
Morgan Stanley	Financials	1.51
European Investment Bank	Supranational	1.45
Banco Bilbao Vizcaya Argentaria SA	Financials	1.43
TSMC Global Ltd	Industrials	1.40
Enel SpA	Utilities	1.34
Santander UK Group Holdings PLC	Covered	1.24
Total		**14.80**

Statistics

	3 Years
Tracking error ex-post (%)	0.90
Information ratio	1.01
Sharpe ratio	0.62
Alpha (%)	0.86
Beta	1.01
Standard deviation	6.60
Max. monthly gain (%)	5.31
Max. monthly loss (%)	-6.23

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years
Months outperformance	20
Hit ratio (%)	55.6
Months Bull market	23
Months outperformance Bull	13
Hit ratio Bull (%)	56.5
Months Bear market	13
Months Outperformance Bear	7
Hit ratio Bear (%)	53.8

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A3/BAA1	A3/BAA1
Option Adjusted Modified Duration (years)	7.0	7.0
Maturity (years)	7.3	9.4
Yield to Worst (%, Hedged)	3.2	2.8
Green Bonds (%, Weighted)	7.0	3.0

Sustainability

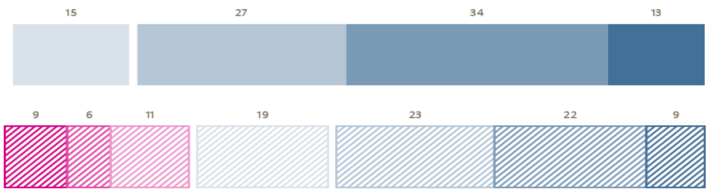
The fund’s sustainable investment objective is to advance the United Nations Sustainable Development Goals (SDGs). SDG and sustainability considerations are incorporated in the investment process by the means of a target universe, exclusions and ESG integration. The fund solely invests in credits issued 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. Financially material ESG factors are integrated in the bottom-up security analysis to assess the impact on the issuer's fundamental credit quality. Lastly, where a credit issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to exclusion.

SDG Contribution

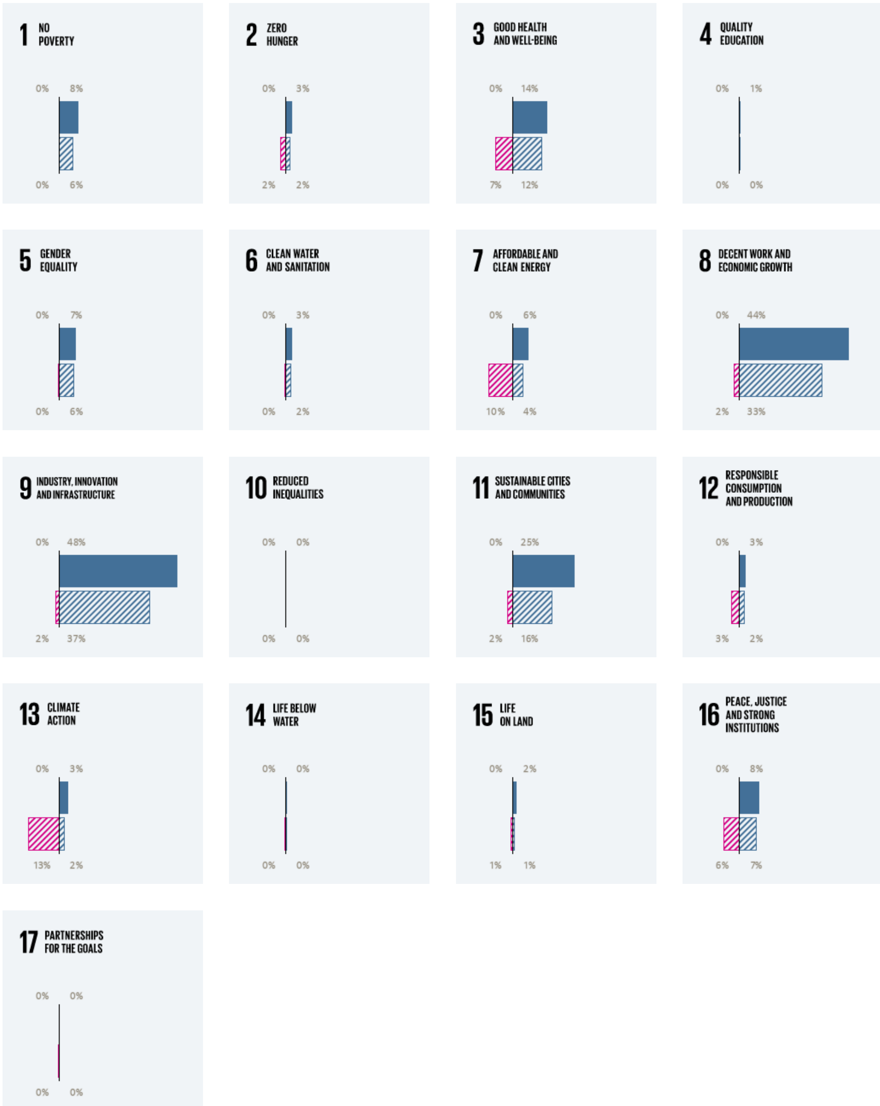
The SDG score shows to what extent the portfolio and the benchmark contribute to the 17 UN Sustainable Developments Goals (SDGs). Scores are assigned to each underlying company using the Robeco SDG Framework, which utilizes a three-step approach to calculate a company’s contribution to the relevant SDGs. The starting point is an assessment of the products offered by a company, followed by the way in which these products are produced, and finally whether the company is exposed to any controversies. The outcome is expressed in a final score which shows the extent to which a company impacts the SDGs on a scale from highly negative (dark red) to highly positive (dark blue).

The bar shows the aggregate percentage exposure of the portfolio and the benchmark (shaded) to the different SDG scores. This is then also split out per SDG. As a company can have an impact on several SDGs (or none), the values shown in the report do not sum to 100%. More information on Robeco’s SDG Framework can be found at: https://www.robeco.com/docm/docu-robeco-explanation-sdg-framework.pdf

SDG Contribution



Numbers represent percentages



- Portfolio
- Benchmark
- High Positive
- Medium Positive
- Low Positive
- Neutral
- Low Negative
- Medium Negative
- High Negative

Sector allocation

The sector allocation is to a large extent driven by bottom-up issuer selection. The fund holds overweight positions in banking, basic industry, insurance, technology, communications and agencies. The largest underweight positions are in energy, consumer non-cyclicals and utilities, because of a large percentage of non-eligible bonds. Value trades can be found in banking (in Europe), as interest rates are on the rise and banks are far more resilient than a decade ago. We also see value in basic industries, as a supply shock could raise commodity prices further. The fund scores high on SDG 9: Industry, innovation and infrastructure and SDG 8: Decent work and Economic growth. Names which we favor that score high on these SDGs are for example Visa and TSMC.

Sector allocation		Deviation index
Industrials	41.3%	-12.1%
Financials	39.6%	1.4%
Treasuries	5.2%	5.2%
Utilities	4.8%	-3.5%
Agencies	2.1%	2.1%
Supranational	1.9%	1.9%
Covered	0.7%	0.7%
Cash and other instruments	4.4%	4.4%

Currency denomination allocation

The fund has an underweight risk position in USD cash bonds, an overweight in EUR cash bonds and is neutral in GBP cash bonds. The underweight in USD bonds is partly driven by the large percentage of non-eligible bonds. We have closed our NA CDX position and added risk in Europe. In percentage weights, the split between euro, dollar and pound is 33%, 57% and 5% respectively. The remainder is held in cash. All currency exposure is hedged back to the Barclays Aggregate Corporate Index.

Currency denomination allocation		Deviation index
U.S. Dollar	58.9%	-7.7%
Euro	35.1%	11.5%
Pound Sterling	5.4%	0.8%
Australian Dollar	0.0%	-0.4%
Canadian Dollar	0.0%	-3.4%
Japanese Yen	0.0%	-1.0%
Swiss Franc	0.0%	-0.4%

Duration allocation

The duration of the portfolio was similar to that of the index.

Duration allocation		Deviation index
U.S. Dollar	5.2	0.0
Euro	1.2	0.0
Pound Sterling	0.4	0.0
Canadian Dollar	0.2	0.0

Rating allocation

The fund is underweight in investment grade credits and overweight in BB credits. We have turned neutral for AA-rated and above by selling more BBB-rated credit, as the pickup versus BB is close to all-time lows. Positions vary from emerging credits, high yield-rated countries, subordinated bonds and rising stars.

Rating allocation		Deviation index
AAA	8.4%	7.3%
AA	7.5%	-0.1%
A	21.8%	-17.9%
BAA	43.6%	-8.1%
BA	13.1%	13.1%
B	1.2%	1.2%
Cash and other instruments	4.4%	4.4%

Subordination allocation

In the allocation to the capital structure we continue to favor senior bonds over subordinated bonds. The exposure that we do have to subordinated bonds is limited to only positions that have both a good fundamental outlook and a good bond structure.

Subordination type allocation		Deviation index
Senior	79.3%	-13.5%
Tier 2	9.2%	4.1%
Hybrid	3.3%	1.5%
Tier 1	2.8%	2.6%
Subordinated	1.0%	0.9%
Cash and other instruments	4.4%	4.4%

Investment policy

RobecoSAM Global SDG Credits is an actively managed fund that invests in corporate bonds in the global developed and emerging markets. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long term capital growth. The fund has sustainable investment as its objective within the meaning of Article 9 of the European Sustainable Finance Disclosure Regulation. The fund aims to advance 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 (i.e. Environmental, Social and corporate Governance) in the investment process, applies an exclusion list basis controversial behavior, products (including controversial weapons, tobacco, palm oil and fossil fuel) while avoiding investment in thermal coal, weapons, military contracting and companies that severely violate labor conditions, next to engagement. The fund invests at least two-thirds of its total assets in non-government bonds (which may include contingent convertible bonds (also "coco" bonds)) and similar non-government fixed income securities and asset backed securities from all around the world. The fund will not invest into assets with a rating lower than "B-" by at least one of the recognized rating agencies. The portfolio is built on the basis of the eligible investment universe and an internally developed SDG framework for mapping and measuring SDG contributions, about which more information can be obtained via the website www.robeco.com/si.The majority of bonds selected will be components of the Benchmark, but bonds outside the Benchmark may be selected too. The fund can deviate substantially from the weightings of the Benchmark. The fund aims to outperform the Benchmark over the long run, whilst still controlling relative risk through the applications of limits (on currencies) to the extent of deviation from the Benchmark. This will consequently limit the deviation of the performance relative to the Benchmark. the Benchmark is a broad market weighted index that is not consistent with the sustainable objective of the fund.

Fund manager's CV

Mr. Verberk is Head and Portfolio Manager Investment Grade Credits since January 2008. Prior to joining Robeco in 2008, Mr. Verberk was CIO with Holland Capital Management. Before that he was employed by Mn Services as Head of Fixed Income and he worked for AXA Investment Managers as Portfolio Manager Credits. Victor Verberk started his career in the investment industry in 1997. Mr. Verberk holds a Master's degree in Business Economics from Erasmus University, Rotterdam and has been a CEFA holder since 1999. Mr. Schapers is Portfolio Manager Emerging Market Credits in the Credit team. Prior to joining Robeco in 2011, Reinout worked at Aegon Asset Management for 5 years where he was a senior portfolio manager high yield credits and was Head of High Yield Europe since 2008. Before that, he worked at Rabo Securities as an M&A associate and at Credit Suisse First Boston as a corporate finance analyst. He holds an Engineering degree in Architecture from the Delft University of Technology. He has been active in the industry since 2003.

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 0.01% 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

Eurosif disclaimer

The European SRI Transparency logo signifies that Robeco commits to provide accurate, adequate and timely information to enable stakeholders, in particular consumers, to understand the Sustainable Responsible Investment (SRI) policies and practices relating to the fund. Detailed information about the European SRI Transparency Code can be found on www.eurosif.org, and information of the SRI policies and practices of the RobecoSAM Global SDG Credits can be found at: www.robeco.com. The Transparency Code are managed by Eurosif, an independent organisation. The European SRI Transparency Logo reflects the fund manager's commitment as detailed above and should not be taken as an endorsement of any particular company, organisation or individual.

Febelfin disclaimer

The fact that the sub-fund has obtained this label does not mean that it meets your personal sustainability goals or that the label is in line with requirements arising from any future national or European rules. The label obtained is valid for one year and subject to annual reappraisal. For further information on this label, please visit www.towardssustainability.be.

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