

RobecoSAM Euro SDG Credits IE EUR

RobecoSAM Euro SDG Credits is an actively managed fund and provides a diversified exposure to the Euro investment grade credit market. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long term capital growth. 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 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 can take some off-benchmark positioning in emerging markets, covered bonds and a limited exposure to high yield bonds.



Jan Willem de Moor, Peter Kwaak
Fund manager since 18-05-2010

Performance

	Fund	Index
1 m	1.19%	1.22%
3 m	0.62%	0.47%
Ytd	0.62%	0.47%
1 Year	7.09%	6.82%
2 Years	-0.58%	-0.62%
3 Years	-2.18%	-2.18%
5 Years	-0.18%	-0.33%
Since 10-2018	0.32%	0.20%

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
2023	7.84%	8.19%
2022	-13.18%	-13.65%
2021	-1.37%	-0.97%
2020	3.35%	2.77%
2019	6.05%	6.24%
2021-2023	-2.62%	-2.56%
2019-2023	0.24%	0.20%

Annualized (years)

Index

Bloomberg Euro Aggregate: Corporates

General facts

Morningstar	★★★★★
Type of fund	Bonds
Currency	EUR
Total size of fund	EUR 1,347,050,608
Size of share class	EUR 39,709,859
Outstanding shares	4,055
1st quotation date	12-10-2018
Close financial year	31-12
Ongoing charges	0.49%
Daily tradable	Yes
Dividend paid	Yes
Ex-ante tracking error limit	2.50%
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

- Exclusions+
- ESG Integration
- Target Universe

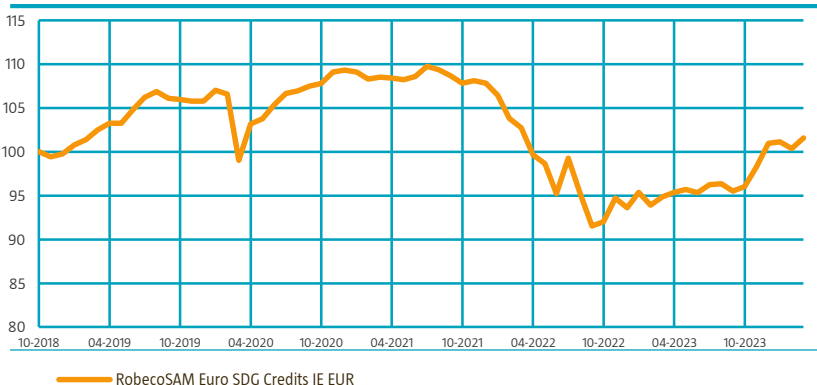


For more information on exclusions see <https://www.robeco.com/exclusions/>

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 1.19%.

The portfolio outperformed its benchmark index, gross of fees. The benchmark return was driven by tighter credit spreads and lower underlying government bond yields. Specifically, the Euro Aggregate Corporate Index moved down 8 basis points to 112 basis points above government bonds, while the yield on 10-year German Bunds dropped by 11 basis points, reaching 2.30%. Performance attribution is split into beta positioning and issuer selection, in line with our investment process. Our slight overweight beta position had a small positive impact as index spreads tightened, and we maintained a beta above one. Issuer selection was neutral in March. Eurofins Scientific and Volkswagen, previously lagging, contributed positively, offset by underperformance from names such as Electricité de France and Raiffeisen Bank International.

Market development

Risk appetite remained firm in March with credit spreads continuing their tighter grind alongside continued strength in global equity markets. The generally positive run of economic data has continued, forcing most commentators to abandon recession calls. Meanwhile, the market maintains conviction that policy rates have peaked in most major economies and will begin to be loosened imminently. There's a growing consensus on US-Europe inflation and rate cut divergence. US inflation is resilient, while Europe shows signs of easing in manufacturing, services, and employment, aligning with projections of diminishing wage pressures ahead. Notable central bank moves included the BoJ increasing the policy rate for the first time in 17 years, moving it from -0.1% to 0%, and the Swiss National Bank cutting rates by 0.25%. Technical demand for credit has remained extremely strong, even as spreads continue to grind tighter. Many market participants are primarily drawn to significantly higher 'all-in' yields, fueled by notably higher government yields. Issuers recognize this dynamic, maintaining strong supply volumes with minimal concessions. New issuance remains easily absorbed.

Expectation of fund manager

The ideal 'soft-landing' 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. However, have market participants grown complacent, with risk appetite reaching high levels? We remain comfortable with investment-grade credit, but are cautious on the lower rated segments such as high yield bonds and bank Tier-1 Cocos. Spreads are especially low in the US credit market, both in high yield and investment grade. We do see pockets of value in European investment grade, especially in the banking sector where senior bonds still offer attractive spreads. As such, we target betas just above neutral in Euro investment grade credit funds. In global funds, we maintain our overweight Euro versus underweight USD positioning.

Top 10 largest positions

The largest overweight positions are mainly in banks, followed by automotive and utility companies. We usually have more than one bond holding in a specific name.

Fund price

31-03-24	EUR	9798.28
High Ytd (28-03-24)	EUR	9798.28
Low Ytd (17-01-24)	EUR	9627.34

Fees

Management fee	0.35%
Performance fee	None
Service fee	0.12%

Legal status

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

Issue structure	Open-end
UCITS V	Yes
Share class	IE EUR
This fund is a subfund of Robeco Capital Growth Funds, SICAV	

Registered in

Belgium, 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 will distribute dividend.

Derivative policy

RobecoSAM Euro SDG Credits make use of derivatives for hedging purposes as well as for investment purposes. These derivatives are very liquid.

Fund codes

ISIN	LU1821197412
Bloomberg	ROBSIEH LX
Valoren	41769754

Top 10 largest positions

Holdings

BNP Paribas SA
Banco Santander SA
Nordea Bank Abp
Nationwide Building Society
Societe Generale SA
Nationale-Nederlanden Bank NV/The Netherlands
Banque Federative du Credit Mutuel SA
Volkswagen International Finance NV
Deutsche Bank AG
ING Groep NV

Total

Sector	%
Financials	1.87
Financials	1.79
Financials	1.73
Covered	1.64
Financials	1.57
Financials	1.55
Financials	1.53
Industrials	1.52
Financials	1.51
Financials	1.47
Total	16.18

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	0.61	0.62
Information ratio	0.80	1.02
Sharpe ratio	-0.47	-0.05
Alpha (%)	0.48	0.66
Beta	1.00	1.02
Standard deviation	6.43	6.46
Max. monthly gain (%)	4.29	4.34
Max. monthly loss (%)	-3.99	-7.11

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	24	40
Hit ratio (%)	66.7	66.7
Months Bull market	18	33
Months outperformance Bull	11	20
Hit ratio Bull (%)	61.1	60.6
Months Bear market	18	27
Months Outperformance Bear	13	20
Hit ratio Bear (%)	72.2	74.1

Above mentioned ratios are based on gross of fees returns.

Characteristics

	Fund	Index
Rating	A2/A3	A3/BAA1
Option Adjusted Modified Duration (years)	4.5	4.5
Maturity (years)	4.9	5.0
Yield to Worst (% , Hedged)	3.7	3.6
Green Bonds (% , Weighted)	20.7	12.7

Sector allocation

In our portfolio management, we not only factor in weights, but also spreads and durations (DTS). On that basis, we are overweight in financials and underweight in non-financials. The overweight in financials is mainly located in the banking sector, while the real estate sector is an underweight.

Sector allocation		Deviation index
Financials	43.7%	0.6%
Industrials	26.6%	-22.1%
Covered	11.6%	11.6%
Agencies	6.1%	6.1%
Utilities	5.9%	-2.3%
Treasuries	4.1%	4.1%
Local Authorities	0.6%	0.6%
Cash and other instruments	1.5%	1.5%

Duration allocation

The intention of the fund is to have a duration position that is neutral against its benchmark.

Duration allocation	Deviation index
Euro	0.0

Rating allocation

We have no clear preference for specific rating buckets. Our positioning over the different buckets is therefore the result of beta positioning, sector themes and issuer selection.

Rating allocation	Deviation index
AAA	14.9%
AA	1.6%
A	-16.6%
BAA	-6.8%
BA	5.3%
Cash and other instruments	1.5%

Subordination allocation

In the banking sector, we like subordinated debt including Tier-1 and Tier-2 capital. The absolute weight in Additional Tier-1 bank CoCos is currently down to 1%. For some European corporates there is an attractive spread pickup available by moving from senior debt into corporate hybrids.

Subordination type allocation	Deviation index
Senior	-7.5%
Tier 2	3.1%
Hybrid	1.6%
Tier 1	1.4%
Cash and other instruments	1.5%

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 10% 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.

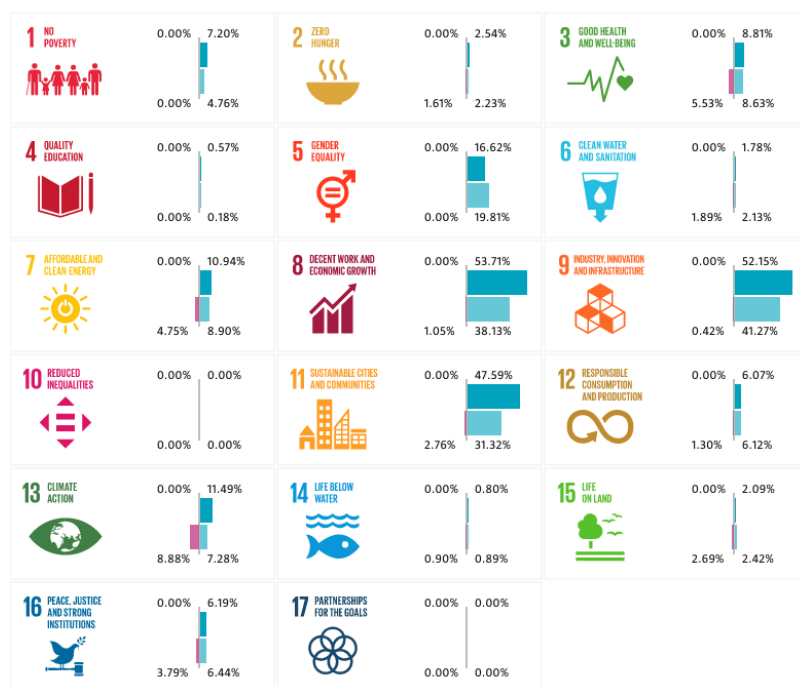
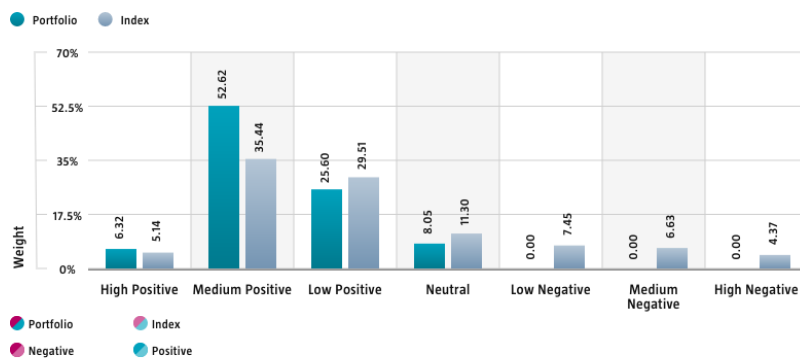
The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures.

The index used for all sustainability visuals is based on Bloomberg Euro Aggregate: Corporates.

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.

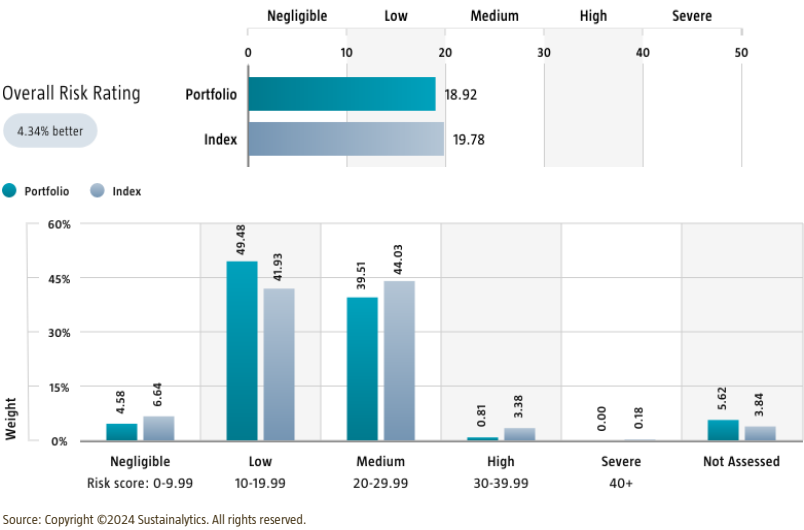


Source: Robeco. Data derived from internal processes.

Sustainalytics ESG Risk Rating

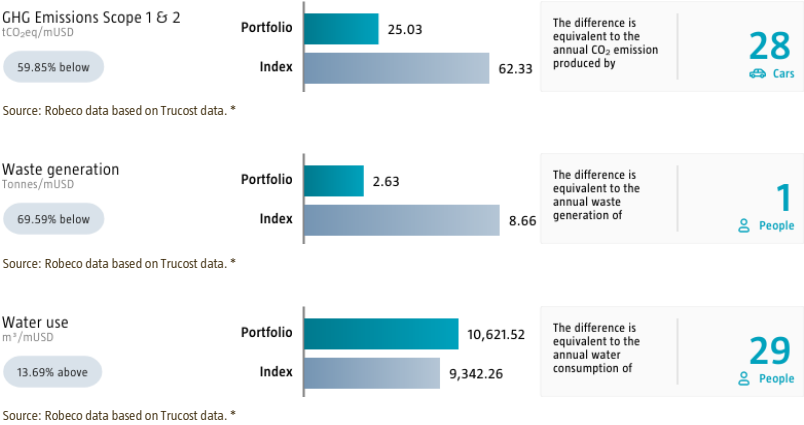
The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio 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

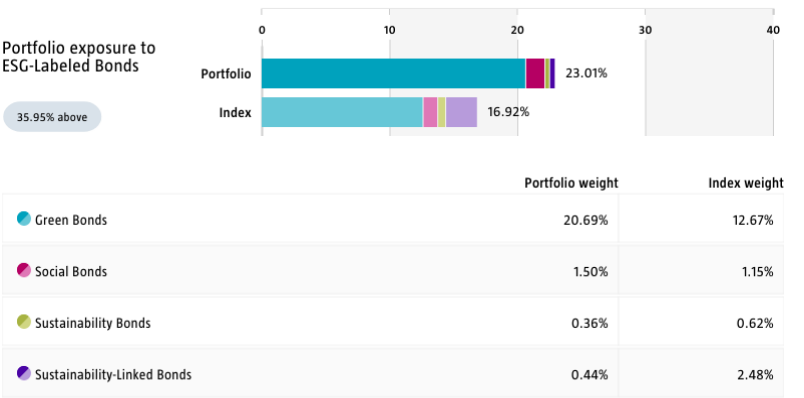
Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted 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.



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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.



Engagement

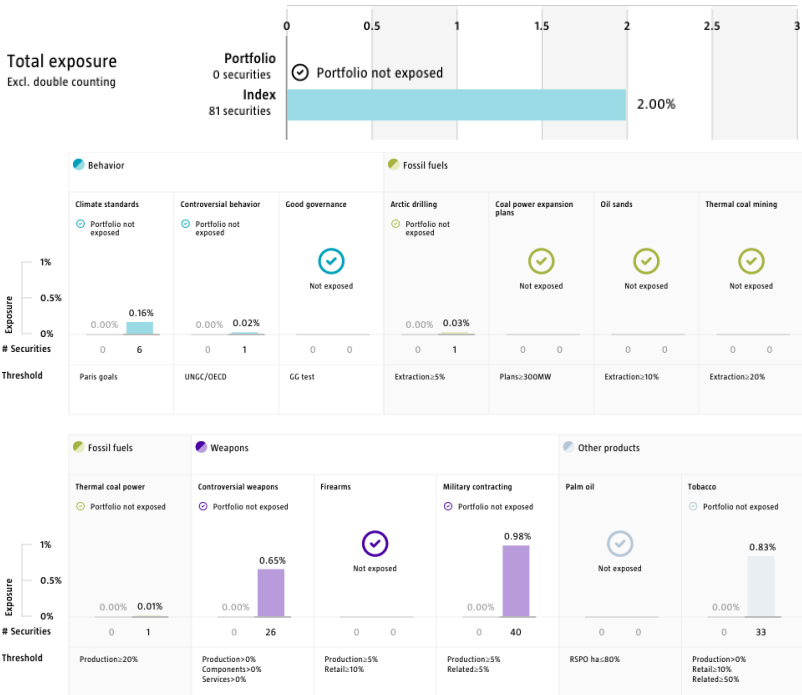
Robeco distinguishes between three types of engagement. Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution. Enhanced engagement is triggered by misconduct and focuses on companies severely breaching international 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)	13.48%	25	96
Environmental	7.49%	11	50
Social	2.37%	7	21
Governance	2.10%	5	13
Sustainable Development Goals	1.26%	3	9
Voting Related	1.89%	3	3
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 Euro SDG Credits is an actively managed fund and provides a diversified exposure to the Euro investment grade credit market. The selection of these bonds is based on fundamental analysis. The fund's objective is to provide long term capital growth. 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 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 can take some off-benchmark positioning in emerging markets, covered bonds and a limited exposure to high yield bonds.

The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. 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 applies sustainability indicators, including but not limited to normative, activity-based and region-based exclusions. 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 and issuers) 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

Jan Willem de Moor is Portfolio Manager Investment Grade in the Credit team. Prior to joining Robeco in 2005, he worked at the Dutch Medical professionals' pension fund as an Equity Portfolio Manager and at SNS Asset Management as an Equity Portfolio Manager. Jan Willem has been active in the industry since 1994. He holds a Master's in Economics from Tilburg University. Peter Kwaak is Portfolio Manager Investment Grade in the Credit team. Prior to joining Robeco in 2005, he was Portfolio Manager Credits at Aegon Asset Management for three years and at NIB Capital for two years. Peter has been active in the industry since 1998. He holds a Master's in Economics from Erasmus University Rotterdam and he is a CFA® charterholder.

Team info

The RobecoSAM Euro SDG Credits fund is managed within Robeco's credit team, which consists of nine portfolio managers and twenty-three credit analysts (of which four financial analysts). The portfolio managers are responsible for the construction and management of the credit portfolios, whereas the analysts cover the team's fundamental research. Our analysts have long term experience in their respective sectors which they cover globally. Each analyst covers both investment grade and high yield, providing them an information advantage and benefiting from inefficiencies that traditionally exist between the two segmented markets. Furthermore, the credit team is supported by dedicated quantitative researchers and fixed income traders. On average, the members of the credit team have an experience in the asset management industry of seventeen years, of which eight years with Robeco.

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

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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.



Sustainability images

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

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