Robeco Institutional Sustainable Core Euro Bonds Fund

2023

Annual Report

Fund for joint account

Contents

Robeco Institutional Sustainable Core Euro Bonds Fund

(closed fund for joint account incorporated under Dutch law, subject to the definitions contained within the 1969 Dutch Corporation Tax Act, established in Rotterdam, the Netherlands)

Manager
Robeco Institutional Asset Management B.V. ('RIAM')

Executive Committee ('ExCo') of RIAM
Robeco Institutional Asset Management B.V. ('RIAM')
Daily policymakers RIAM:
K. (Karin) van Baardwijk CEO*
M.D. (Malick) Badjie (since 1 January 2024)
I.R.M. (Ivo) Frielink
M.C.W. (Mark) den Hollander*
M.F. (Mark) van der Kroft
A. (Alexander) Preininger (until 31 December 2023)
M. (Marcel) Prins*
V. (Victor) Verberk (until 22 May 2023)

* also statutory director

Supervisory directors of RIAM:
M.F. (Maarten) Slendebroek
S. (Sonja) Barendregt-Roojers
S.H. (Stanley) Koyanagi
M.A.A.C. (Mark) Talbot
R.R.L. (Radboud) Vlaar

Depositary
J.P. Morgan SE, Amsterdam Branch
Strawinskylaan 1135
NL-1077 XX Amsterdam

Transfer Agent
J.P. Morgan SE, Luxembourg Branch
6, route de Trèves
L-2633 Senningerberg
Grand Duchy of Luxembourg

Fund manager
Stephan van IJzendoorn

Independent Auditor
KPMG Accountants N.V.
Weena 650,
NL-3012 CN Rotterdam

Address
Weena 850
PO Box 973
NL-3000 AZ Rotterdam
Telephone +31 (0)10 - 224 12 24
Internet: www.robeco.com

Report by the manager

General information

Legal aspects
Robeco Institutional Sustainable Core Euro Bonds Fund (the "Fund") is an investment institution as referred to in Section 1:1 of the Dutch Financial Supervision Act (hereinafter: "Wft") and falls within the scope of the European Directive (2011/61/EU) for Alternative Investment Fund Managers.

Robeco Institutional Asset Management B.V. ('RIAM') manages the Fund. In this capacity, RIAM handles the asset management, risk management, administration, marketing and distribution of the Fund. RIAM holds an AIFMD license as referred to in Section 2:65 Wft, as well as a license to manage UCITS as referred to in Section 2:69b 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').

The assets of the Fund are held in custody by J.P. Morgan SE, Amsterdam Branch. J.P. Morgan SE, Amsterdam Branch is appointed as the depositary of the Fund as referred to in Section 4:62m Wft. The depositary is responsible for supervising the Fund insofar as required under and in accordance with the applicable legislation e.g. monitoring the Fund's cashflows, monitoring investments, checking whether the net asset value of the Fund is determined in the correct manner, checking that the equivalent value of transactions relating to the Fund assets is transferred, checking that the income from the Fund is used as prescribed in applicable law and regulations and the Fund documentation, etc. The manager, the legal title holder (Stichting Custody Robeco Institutional) and J.P. Morgan SE, Amsterdam Branch have concluded a depositary and custodian agreement. In this agreement the responsibilities of the depositary are described. Besides the abovementioned supervising tasks, the main responsibilities of the depositary are e.g. holding in custody the assets of the Fund, establishing that the assets have been acquired by the Fund and that this has been recorded in the accounts, establishing that the issuance, repurchase, repayment and withdrawal of the Fund's participating units takes place in accordance with the Fund documentation and applicable law and regulations and carrying out the managers instructions.

The Fund is subject to statutory supervision by the AFM. The Fund is entered in the register as stated in Section 1:107 Wft.

Strategic partnership with Van Lanschot Kempen
In February 2023, Robeco and Van Lanschot Kempen signed an agreement for a strategic partnership including the transfer of Robeco's online retail distribution platform for investment services to Van Lanschot Kempen. Robeco completed the sale of the online retail distribution platform on 1 July 2023. The partnership fits in with Robeco's strategic focus on its core business in the Dutch and global wholesale and institutional markets. Robeco's retail clients retain their current investments under the same conditions at Van Lanschot Kempen, Robeco's investments funds remain available to retail clients through Van Lanschot Kempen's distribution platform Evi van Lanschot. Robeco Retail employees in the Netherlands are part of Van Lanschot Kempen as of 1 July 2023.

Robeco
When 'Robeco' is mentioned it means RIAM as well as the activities of other companies that fall within the scope of Robeco's management.

Supervision by the Supervisory Board of Robeco Institutional Asset Management B.V.
The Supervisory Board of Robeco Institutional Asset Management B.V. supervises the general affairs of Robeco and its businesses as managed by the Management Board and Executive Committee, including the funds under management.

During the meetings of the Supervisory Board, attention was paid, among other things, to developments in the financial markets and the performance of the funds. The interests of clients are considered to be a key issue and, consequently, an important point of focus.

Based on periodic reports, the Supervisory Board discussed the results of the funds with the Management Board and Executive Committee. These discussions focused on the investment results, the development of assets under management as a result of market movements and the net inflow of new money as well as operational matters.

In the meetings of the Audit & Risk Committee of the Supervisory Board, amongst other things the (interim) financial reports of the funds and the reports of the independent auditor were discussed. In addition, risk management, incident management, tax, legal, compliance issues and quarterly reports from internal audit, compliance, legal affairs and risk management were discussed.

Tax features
The Fund is a closed fund for joint account within the meaning of the Dutch Corporation Tax Act of 1969 and is therefore fiscally transparent. This means that the Fund's income is allocated directly to the participants. The Fund is formed by the Fund's assets that are obtained through deposits by participants, entitling participation in the Fund's assets.

Report by the manager (continued)

General information (continued)

Issuance and repurchase of participating units
The issuance and repurchasing of participating units is possible exclusively through the Fund in accordance with the terms set out in the Terms and Conditions for Management and Custody. For entry into the Fund or for an increase in participation or for full or partial redemption of the participation, the manager will charge a fee on the deposit or cancellation value to cover the associated transaction costs. These fees will accrue to the Fund. The fee thus determined can be requested from the manager. The actual maximum surcharge or discount is published on www.robeco.com/riam.

Terms and Conditions for Management and Custody
The Terms and Conditions for Management and Custody of Robeco Institutional Sustainable Core Euro Bonds Fund can be obtained from the Fund's address.

Report by the manager (continued)

Key figures

Overview 2019 – 2023						
Robeco Institutional Sustainable Core Euro Bonds Fund	**2023**	**2022**	**2021**	**2020**	**2019**	**Average**
Performance in % based on:						
– Net asset value	6.8	-19.0	-4.0	4.6	5.1	-1.8
– Bloomberg Barclays Treasury AAA/AA Market Value Weighted Index	6.3	-19.1	-3.8	4.1	4.8	-2.0
Total net assets [1]	54	298	257	190	169	

[1] In millions of euros.

General introduction

Financial market environment

Economies grew in 2023 against a backdrop of a maturing monetary policy tightening cycle. In their successful battle against inflation, policymakers in the G7 raised policy rates by 425 basis points (calculated as a weighted average) between March 2022 and the end of 2023. Central banks seemed to have settled on keeping rates on hold by the end of 2023. A key feature of the 2023 economic landscape was that central banks managed to contain inflation without unemployment rising, delivering what has become known as “immaculate disinflation”. From its 10.6% peak in October 2022, Eurozone consumer price inflation dropped to 2.9% by December 2023. While the Eurozone entered a recession, the unemployment rate in December 2023 stood at just 6.4%, an all-time low. While the weakness of the Eurozone’s economic activity was mainly concentrated in the manufacturing sector at the start of 2023, there were indications of a slowdown in the services sector during the second half of the year.
The US economy defied prior consensus expectations that it would enter a recession in 2023. Leading macro indicators such as the inverted US sovereign bond yield curve and producer confidence surveys in the manufacturing sector had been flagging a looming slowdown for the business cycle before 2023 began. Yet the US real economy (in other words, corrected for inflation) expanded at an above-trend rate of 2.5% in 2023. Household consumption growth was the main reason, with spending power underpinned by high savings, real wage growth thanks to a tight US labor market and a lingering positive fiscal impulse. Japanese real activity expanded by a healthy 1.5% in 2023 against a backdrop of signs of sustained reflation and the corporate governance reforms initiated under former Prime Minister Abe starting to pay off.

Persistent weakness in China’s housing market inhibited domestic consumption growth in 2023. While it achieved its official 2023 growth target of 5% due to exports of high-value-added items like electric vehicles and solar panels, China is experiencing a different macro cycle from the members of the G7. In fact, the country is battling deflation due to excess supply issues and ongoing efforts to deleverage. Chinese consumer price inflation fell to -0.5% year-on-year in November 2023.

Outlook for the bond markets

The Bloomberg Global Aggregate Bond Index (EUR hedged) rose by 4.7% in 2023. Inflation fell in many developed and emerging economies in 2023, led by goods and energy. Interest rates were volatile but fell significantly towards the end of the year. Tightening cycles seem to have concluded, and there seems to be room for many central banks to cut rates by the middle of 2024, so interest rates may continue to fall over the year. The outlook for government bonds is therefore positive for 2024, with positive total returns expected. Many economies are likely to feel the effects of past rate hikes feeding through and having a detrimental impact on private sector activity. There is already evidence in many countries that high policy rates are impacting the broader economy via corporate defaults and restructurings in private debt markets, which are expected to spill over to the public markets such as the high-yield credit market. Strong economic growth, a resilient jobs market and relatively healthy economic fundamentals have led to optimism of a soft landing, leading to tighter credit spreads. However, credit spreads are pricing in a lot of good news, and tighter financial conditions and higher-for-longer interest rates are significant risks and potential sources of volatility. All this warrants a cautious stance on corporate bonds in 2024.

Report by the manager (continued)

Investment policy

Investment objective
The Fund's investment policy aims to obtain value growth in the long term.

Investment policy
The Fund invests mainly in government bonds issued by EMU member states in euros with a minimum rating of AA- or equivalent from at least one of the recognized rating bureaus. In addition, the Fund can invest in interest-rate swaps, inflation swaps, bond futures, other fixed-income assets, debt titles and/or liquid assets. The manager will strive to prevent the – weighted average modified – duration from deviating more than one year from the – weighted average modified – duration of the index. This is the Bloomberg Treasury AAA/AA Market Value Weighted Index.

Robeco Institutional Sustainable Core Euro Bonds Fund is classified as Article 8 under the SFDR. More information is available in the precontractual SFDR disclosures of the Fund on the Robeco website. Attached to this annual report the Annex IV disclosure can be found with detailed information on the achievement of the sustainability goals over the reporting period.

Implementation of the investment policy
Throughout the year the Fund was positioned for declining spreads in government-related sustainable bonds versus sovereign bonds. Within the Fund the aim is not only to have a high sovereign ESG score on the Robeco Country Sustainability Ranking, but also have a large allocation to green, social and/ or sustainable bonds. Therefore, the exposure to this segment was increased further during the year, for which predominantly the primary market was used. At year end, the allocation to green, social, and sustainable bonds was 53%. The total ESG-labelled market has increased significantly each year over the past decade, and this trend is expected to continue. There have been compositional differences though, with a lower amount of social bonds issued (mainly due to EU Support to mitigate Unemployment Risks in an Emergency (SURE) bonds, which were used to finance short-term employment schemes across the EU and keep people in jobs during the coronavirus pandemic) compared to last year, while the amount of green bond issuance has increased sizably. The Fund holds green government bonds from Germany, France, and the Netherlands.

The Fund was correctly positioned for lower yields and a steeper yield curve. Interest rates initially continued its rising trend throughout the first quarters, but especially in the final quarter of the year yields declined sharply. Around September/October it became clear that central banks in the developed world were done hiking rates, thereby also stabilizing longer dated bond yields. Expectations of a ‘higher for longer’ narrative quickly faded when inflation numbers declined much faster than expected in the final months of the year, this brought forward the expected start date of the first rate cut and increased the expected amount of total rate cuts during 2024.

During the December meeting the European Central Bank (ECB) announced to reduce the Pandemic Emergency Purchase Programme (PEPP) portfolio by EUR 7.5bn per month in the second half of 2024 and to completely discontinue PEPP reinvestments thereafter. Country spreads in Europe had already widened in the months before, partly also in anticipation of this announcement. As the Fund had a sizeable underweight in especially Frech government bonds, this benefitted relative performance of the Fund.

At the end of the reporting year 53% of the Fund was invested in green, social and/ or sustainable government and government-related bonds. The green bond allocations in the Fund finance a wide range of environmental initiatives, with the largest categories being projects in clean transportation, renewable energy, and energy efficiency.

Currency policy
The investments in the Fund are quoted in euros.

Investment result

Net result per participating unit [1]

EUR x 1	2023	2022	2021	2020	2019
Direct investment income	0.93	0.57	0.51	0.85	1.19
Indirect investment income	3.00	-24.18	-4.62	5.04	4.52
Management fee and other costs	-0.07	-0.08	-0.09	-0.09	-0.10
Net result	**3.86**	**-23.69**	**-4.20**	**5.80**	**5.61**

[1] Based on the average amount of participating units outstanding during the reporting year. The average number of participating units is calculated on a daily basis.

Over the reporting period, Robeco Institutional Sustainable Core Euro Bonds Fund generated a return of 6.9% (gross of fees in EUR), against a return of 6.3% for its reference index, the Bloomberg Euro Treasury AAA/AA Market Value Weighted Index.

Return and risk
Main driver of the positive absolute return has been the decline in core interest rates. German 10-year yield declined from a level of 2.57% at the start of the year to a level of 2.02% at the end of the year. As the duration of the Fund has been around 8 years over the reporting period, this benefitted the return of the Fund.

Report by the manager (continued)

Investment result (continued)

Return and risk (continued)
All performance drivers added to relative return over the year. Biggest driver of relative performance of the Fund was the allocation to government-related bonds versus sovereign bonds. Government-related bonds, which normally price over swap, benefitted from tightening swap spreads, which tightened due to a combination of a general positive risk sentiment and especially from the reduction of Bund scarcity. As the ECB stopped reinvesting maturing bonds from the Asset Purchase Programme (APP), the free float of German Bunds, which are used for collateral needs, increased substantially. In the final month of the year the ECB announced to also start reducing reinvestments from the PEPP, meaning a further increase in free float, and thus a tightening of swap spreads, is to be expected.

Country allocation, duration management and yield curve positioning all supported relative performance. The Fund has had a sizeable underweight in French government bonds throughout the year, which is also related to the lower score in our Country Sustainability Ranking. As French spreads widened, this benefitted the relative performance of the Fund. The Fund was correctly positioned for lower rates and for a steeper yield curve for most part of the year. Although the curve continued its flattening trend in the first half of the year, in the second half the curve started normalizing from extremely inverted levels. This normalization process started when markets realized central banks where at the end of the tightening cycle, and thus have much more to go when central banks start cutting rates next year.

Risk management

The presence of risks is inherent to asset management. It is therefore very important to have a procedure for controlling these risks embedded in the Fund's day-to-day operations. The manager (RIAM) ensures that risks are effectively controlled via the three lines model: RIAM management (first line), the Compliance and Risk Management departments (second line) and the Internal Audit department (third line).

The management of RIAM has primary responsibility for risk management as part of its day-to-day activities. The Compliance and Risk Management departments develop and maintain policies, methods and systems that enable the management to fulfill their responsibilities relating to risk. Furthermore, portfolios are monitored by these departments to ensure that they remain within the investment restrictions under the Terms and Conditions for Management and Custody and the prospectus, and to establish whether they comply with the internal guidelines. The Risk Management Committee decides how the risk management policies are applied and monitors whether risks remain within the defined limits. The Internal Audit department carries out audits to assess the effectiveness of internal control.

RIAM uses a risk-management and control framework that helps control all types of risk. Within this framework, risks are periodically identified and assessed as to their significance and materiality. Internal procedures and measures are focused on providing a structure to control both financial and operational risks. Control measures are included in the framework for each risk. Active monitoring is performed to establish the effectiveness of the procedures and measures of this framework.

Operational risk
Operational risk is the risk of loss as a result of inadequate or failing processes, people or systems. Robeco constantly seeks opportunities to simplify processes and reduce complexity in order to mitigate operational risks. Automation is a key resource in this regard and Robeco uses systems that can be seen as the market standard for financial institutions. The use of automation increases the risk associated with IT. This risk can be divided into three categories. The risk of access by unauthorized persons is managed using preventive and detective measures to control access to both the network and systems and data. Processes such as change management and operational management provide for monitoring of an operating system landscape. Finally, business continuity measures are in place to limit the risk of breakdown as far as possible and to recover operational status as quickly as possible in the event of a disaster. The effectiveness of these measures is tested periodically by means of internal and external testing.

Compliance risk
Compliance & Integrity risks embody the risk of corporate and individual behaviour that leads to insufficient compliance with laws and regulations and internal policies to such an extent that in the end this may cause serious damage to confidence in Robeco and in the financial markets. Robeco's activities – collective and individual portfolio management – are subject to European and local rules of financial supervision. Observance of these rules is supervised by the national competent authorities (in the Netherlands the Authority for the Financial Markets, AFM and the Central Bank of the Netherlands, DNB). It is in the interest of both Robeco and the investors in Robeco-managed funds that Robeco complies with all the applicable laws and regulations.

With regard to the funds and counterparties, external worldwide events have had effect on financial institutions, specifically in the field of Sanctions regulations. Robeco follows applicable sanctions of the Netherlands, UN, EU, UK and US, as amended and/or supplemented from time to time, and any mandatory (investment) restrictions deriving therefrom. In case of conflicting sanctions the applicable sanctions from the EU will prevail at all times. In 2022, Russia has committed a violation of international law by invading a sovereign state. While Robeco didn’t own Russian sovereign bonds, Robeco has officially excluded these bonds for the funds and placed buying restrictions on Russian equities and corporate bonds.

Risk management (continued)

Compliance risk (continued)

The past few years the level of regulation has increased consistently while the regulatory environment is evolving as well by moving from a principle-based to a more rule- and evidence-based environment. Robeco actively follows these regulatory developments and is in continuous effort to incorporate all regulatory changes to ensure compliance with rules and regulations. Robeco performs Systematic Integrity Risk Assessments (SIRAs) to further identify and assess compliance and integrity risks and the control measures that mitigate these risks. If needed, follow-up actions will be discussed with the business to further mitigate the integrity risks.

Changes in the field of legislation, regulation and external events that could affect the funds managed by Robeco also took place in 2023.

The EU regulatory framework on sustainable finance, consisting of multiple pieces of legislation, including the Sustainable Finance Disclosure Regulation (SFDR), Taxonomy Regulation and amendments to existing frameworks (including the UCITS Directive and AIFMD), introduced extended reporting and disclosures, aiming for increased comparability between sustainable funds and to avoid greenwashing. The framework also requires the integration of sustainability (risks) in the organization, governance, risk management and investment processes of Robeco. The requirements entered into force in 2021. In addition to the work that has been undertaken in 2022 to further implement the SFDR Regulatory Technical Standards, in 2023 Robeco has incorporated the prescribed SFDR periodic reporting templates in the annual reports of the funds. The first SFDR periodic reports were included in the 2022 annual reports. Attached to this annual report, the SFDR periodic report over 2023 can be found. In 2023, Robeco also introduced Principal Adverse Impact statements on an entity-level (such PAI statements contain sustainable investment metrics, aggregated for all Robeco-managed funds and discretionary managed accounts).

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Furthermore, Robeco implemented the new Key Information Document for its funds offered to retail clients in line with the Packaged Retail Investment & Insurance -based Products (PRIIPs) which entered into force as of 1 January 2023.

Outsourcing risk

The risk of outsourcing the activities is that the third party cannot meet its obligations, despite the existing contracts, and that the Fund may incur a loss that cannot or cannot always be recovered from the third party. To mitigate this risk, Robeco has implemented a Third-Party Risk policy which provides a framework for managing a third-party's lifecycle. The main goal is to provide controlled and sound business management regarding third-parties.

Fraud risk

Having a strong reputation for integrity is crucial for Robeco to safeguard market confidence and public trust. Fraud can undermine this confidence and trust. Therefore Robeco has implemented a central approach to mitigate fraud risk, including but not limited to actions to reduce fraud risk and assessments on the effectiveness of internal controls to reduce fraud risk. Two Anti-Fraud Officers (AFOs) are appointed, one from Operational Risk Management (ORM) focusing on External Fraud and one from Compliance, focusing on Internal Fraud. These AFOs are the first point of contact for any fraud risk indications and need to ensure that these are dealt with timely and effectively. The AFOs have the following tasks:

- Perform a periodical Fraud Risk Assessments and report the outcome towards the Entity Risk Management Committee (ERMC) and the Audit & Risk Committee (A&RC);
- Perform a gap analysis to identify missing controls in the Risk Control Framework (RCF);
- Aligning with IT Security on anti-fraud measures implemented and ways to further improve fraud detection; and
- Monitor the proper follow-up of internal and external fraud incidents.

The risk of fraud inherently exists within each department of RIAM. Mitigating measures have been implemented within RIAM, such as segregation of duties between for example portfolio management, trading and mid- and back office. Such measures limit the actual risk of internal fraud. Although there is always the (inherent) risk of internal fraud from overriding or bypassing the internal controls, Robeco considers this a limited risk due to amongst other the organizational setup with a proper segregation of assets; no (fund) assets (e.g. equities and bonds) can be stolen, as these are held by the custodians who only act upon instructions following the agreed upon processes and authorizations. To prevent the risk of fraudulent financial reporting, Robeco has a dedicated SOx control framework in place.

Developments Financial Risk Management

Robeco has been continuously working to further enhance its risk management methodologies, infrastructure and processes. In 2023 development of Robeco's risk data infrastructure continued. Development of the data warehouse takes place in close cooperation with the vendor of our risk management platform. A more centralized storage of risk data allows for improved operational efficiency throughout the company. Over the course of 2023, the risk management framework has been further enhanced to support the investment in complex financial derivative instruments and new investment strategies.

A quantification of the risks can be found in the notes to the financial statements on pages 22 through 26.

Report by the manager (continued)

Movements in net assets

1. On balance the net change in outstanding participating units resulted in a decrease in the net assets of EUR 251.2 million.
2. Investment income minus expenses resulted in a increase of the net assets of EUR 1.7 million
3. The change in value of the investments (consisting of realized and unrealized gains and loss on investments) resulted in an increase in net assets of EUR 5.6 million
4. No dividend was distributed during the year.

Survey of movements in net assets

	2023 EUR' 000	2022 EUR' 000
Net assets at opening date	**298,365**	**256,742**
Participating units issued	34,447	117,225
Participating units purchased	(285,652)	(23,687)
Situation on closing date	**47,160**	**350,280**
Direct investment income	1,766	1,238
Indirect investment income	5,630	(53,136)
Cancellation and placement fees	75	149
Costs	(142)	(166)
Net result	**7,329**	**(51,915)**
Net assets at closing date	**54,489**	**298,365**

Report by the manager (continued)

Remuneration policy

The Fund itself does not employ any personnel and is managed by Robeco Institutional Asset Management B.V. (hereafter 'RIAM'). In the Netherlands, persons performing duties for the fund at management-board level and portfolio managers are employed by Robeco Nederland B.V. The remuneration for these persons comes out of the management fee.

This is a reflection of the Remuneration Policy of RIAM. The remuneration policy of RIAM applies to all employees of RIAM. The policy follows applicable laws, rules, regulations and regulatory guidance including, without limitation, chapter 1.7 of the Wft, article 5 of SFDR, the ESMA Remuneration Guidelines under UCITS, the ESMA Remuneration Guidelines under AIFMD and the ESMA Guidelines under MIFID.

Responsibility for and application of the policy

The RIAM Remuneration Policy is determined and applied by and on behalf of RIAM with the approval, where applicable, of the Supervisory Board of RIAM on the advice of the Nomination & Remuneration Committee (a committee of the Supervisory Board of RIAM) and, where applicable, the shareholders (Robeco Holding B.V. and ORIX Corporation Europe N.V.).

Introduction and scope

Employees and their knowledge and capabilities are the most important asset of Robeco Institutional Asset Management BV (hereafter 'RIAM'). In order to attract and retain staff that allows RIAM to provide value to RIAM's clients and satisfy the clients' needs, fixed and variable remuneration is vital. It is equally vital to reward talent and performance fairly and competitively. In line with RIAM's reputation as a leader in sustainability, RIAM compensates its employees and applies its policy in a non-discriminatory and gender-neutral manner.

Key objectives of the Remuneration Policy are:

- to stimulate employees to act in our clients' best interests and to prevent potential conduct of business and conflict of interest risks, adversely affecting the interests of clients;
- to support effective risk management and avoid employees taking undesirable risks, taking into account the internal risk management framework;
- to ensure a healthy corporate culture, focused on achieving sustainable results in accordance with the long-term objectives of RIAM, its clients and other stakeholders;
- to ensure consistency between the remuneration policy and environmental, social and governance risks and sustainable investment objectives by including these risks in the key performance indicators (KPIs) used for the determination of variable compensation of individual staff members;
- to provide for a market competitive remuneration to retain and attract talent.

The remuneration policy in a broader perspective

In general, RIAM aims to align its remuneration policy and practices with its risk profile, its function and the interests of all its stakeholders. RIAM's approach to remuneration is intended to attract, motivate and retain colleagues who have the necessary skills, capabilities, values and behaviors needed to deliver on its strategy. This policy and RIAM's remuneration practices aim to (i) reward success whilst avoiding to reward for failure and (ii) maintain a sustainable balance between short and long-term value creation and build on RIAM's long-term responsibility towards its employees, clients, shareholders and other stakeholders

RIAM is an asset manager with Dutch roots and nearly a century of operations

Established in Rotterdam in 1929, RIAM offers investment management and advisory services to institutional and private investors. In addition, RIAM manages and distributes a variety of investment funds in and outside of the Netherlands. As an asset manager, RIAM is also acutely aware of its role in the transition to a more sustainable future.

RIAM's remuneration policy is shaped by regulation and finetuned by its stakeholders

RIAM is active in a sector that is strictly regulated, impacting every aspect of its business model – including its remuneration policy and practices. A common denominator between the various sectoral remuneration regulations to which RIAM is subject, is that they all endeavor to align, at least in general terms, the interests of covered institutions with those of its stakeholders, for example through the use of deferral mechanisms, retention periods and restrictions on disproportionate ratios between fixed and variable remuneration.

Closely observing these requirements – in text and spirit – in constructing its remuneration approach and this remuneration policy, is a first step for RIAM to ensure alignment between its remuneration and the interests of its key stakeholders.

RIAM's remuneration policy seeks to strike a balance between its function as a trusted asset manager for institutional and retail clients on the one hand and its desire to offer RIAM's employees a well-balanced and competitive remuneration package on the other hand – recognizing the inherent risks to the former posed by the latter. RIAM believes that the balance between the interests of these two key stakeholders (clients and employees) are served by the use of specific performance criteria (KPIs), such as those emphasizing customer centricity.

Report by the manager (continued)

Remuneration policy (continued)

The remuneration policy in a broader perspective (continued)

RIAM's remuneration policy is shaped by regulation and finetuned by its stakeholders (continued)
The annual variable remuneration within RIAM in principle does not exceed 200% of fixed remuneration. A limit RIAM considers appropriate in light of the market and global arena in which it operates.

Finally, in recognition of RIAM's responsibilities to Dutch – and global – society in combatting climate change, RIAM has explicitly integrated sustainability risk factors in the performance indicators of relevant employees, so that their remuneration can be aligned with sustainability risk management.

RIAM's approach to remuneration is subject to constant monitoring and change
RIAM constantly seeks and receives input from clients, employees (both through the works council and in other settings), its shareholder, regulators and other stakeholder groups about its remuneration approach, enhancing the link between remuneration outcomes and stakeholder interests.

RIAM has set-up robust governance and monitoring arrangements to ensure its remuneration policy and approach remain aligned not just with applicable law, but also with the interests of its stakeholders.

Remuneration elements

When determining the total remuneration of employees, RIAM periodically performs a market benchmark review. All remuneration awarded to RIAM employees can be divided into fixed remuneration (payments or benefits without consideration of performance criteria) and variable remuneration (additional payments or benefits, depending on performance).

Fixed remuneration - Monthly fixed pay
Each individual employee’s monthly fixed pay is determined based on their function and/or responsibility and experience according to the RIAM salary ranges and with reference to the benchmarks of the investment management industry in the relevant region. The fixed remuneration is sufficiently high to remunerate the professional services rendered, in line with the level of education, the degree of seniority, the level of expertise and skills required, job experience, the relevant business sector and region.

Fixed remuneration - Temporary allowances
Under certain circumstances, temporary allowances may be awarded. In general, such allowances are solely function and/or responsibility based and are not related to the performance of the individual employee or RIAM as a whole. Allowances are granted pursuant to strict guidelines and principles.

Variable remuneration
The variable remuneration pool is established based on the financial results and includes a risk assessment on the total actual variable remuneration pool. In such assessment both financial and non-financial risks are taken into account, consistent with the risk profile of RIAM, the applicable businesses and the underlying client portfolios. When assessing risks, both current and future risks that are taken by the staff member, the business unit and Robeco as a whole are taken into account. This is to ensure any variable remuneration grants are warranted in light of the financial strength of the company and effective risk management.

To the extent that the variable remuneration pool allows, each employee’s variable remuneration will be determined at the reasonable discretion of RIAM, taking into account the employee’s behavior and individual and team and/or the department’s performance, based on pre-determined financial and non-financial performance factors (KPIs). Poor performance or unethical or non-compliant behavior will reduce individual awards or can even result in no variable remuneration being awarded at all. Furthermore, the variable remuneration of all RIAM staff is appropriately balanced with the fixed remuneration.

Performance indicators (KPIs)
The KPIs for investment professionals are mainly based on the risk-adjusted excess returns over one, three and five years. For sales professionals, the KPIs are mostly related to the net run rate revenue, and client relationship management. The KPIs should not encourage excessive risk-taking. The 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 may not be 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 & Compliance KPI: Control, compliance and risk related performance is defined as a ‘hygiene’ factor. The performance will be assessed and used to adjust the overall performance downward if performance did not (fully) meet the required level. Unethical or non-compliant behaviour overrides any good financial performance generated by a staff member and will diminish the staff member’s variable remuneration.

Remuneration policy (continued)

Remuneration elements (continued)

Performance indicators (KPIs) (continued)

All employees have a sustainability KPI: In line with the Sustainable Finance regulation (SFDR), sustainable risks factors have been integrated in the annual goal setting of relevant employees, so that their remuneration is aligned with sustainability risk management. Robeco's SI Strategy the Sustainable Impact and Strategy Committee (SISC) develops an overview of relevant KPIs for the relevant employees groups e.g. portfolio managers have decarbonization and ESG integration related KPIs and risk professionals have enhancement of portfolio sustainability risk and monitoring related KPIs. Staff member's variable remuneration outcome is based on the performance of the KPIs, including sustainability KPI(s), based on managers discretion.

Payment and deferral of variable remuneration and conversion into instruments

Unless stated otherwise in this paragraph, variable remuneration up to EUR 50,000 is paid in cash immediately after being awarded. If an employee's variable remuneration exceeds EUR 50,000, 60% is paid in cash immediately and the remaining 40% is deferred and converted into instruments, as shown in the table below. These instruments are 'Robeco Cash Appreciation Rights' (R-CARs), the value of which reflects the financial results over a rolling eight-quarter period of all direct or indirect subsidiaries of RIAM and Robeco Holding B.V.

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

Severance payments

No severance is paid in case of voluntary resignation of the employee or in case of dismissal of the employee for seriously culpable behavior. Severance payments to daily policy makers as determined in the Wft are capped at 100% of fixed remuneration and no severance shall be paid to daily policy makers in case of dismissal due to a failure of the institution, e.g., in case of a request for state aid or if substantial sanctions are imposed by the regulator.

Additional rules for Identified Staff

The rules below apply to Identified Staff. These rules apply in addition to the existing rules as set out above and will prevail in the event of inconsistencies. Identified Staff is defined as employees who can have a material impact on the risk profile of RIAM and/or the funds it manages. Identified Staff includes:

- members of the governing body, senior management, (senior) portfolio management staff and the heads control functions (Compliance, Risk Management, Internal Audit);
- other risk-takers as defined in the AIFMD and UCITS V, whose total remuneration places them in the same remuneration bracket as the group described above.

Control Function Staff

The following rules apply to the fixed and variable remuneration of Control Function Staff:

- The fixed remuneration is sufficient to guarantee that RIAM can attract qualified and experienced staff.
- The business objectives of Control Function Staff are predominantly role-specific and non-financial.
- The financial business objectives are not based on the financial results of the part of the business that the employee covers in his or her own monitoring role.
- The appraisal and the related award of remuneration are determined independently of the business they oversee.
- The above rules apply in addition to the rules which apply to the Identified Staff if an employee is considered to be part of both the Control Function Staff and Identified Staff.
- The remuneration of the Head of Compliance, Head of Internal Audit, Head of Risk Management and Head of Investment Restrictions falls under the direct supervision of the Nomination & Remuneration Committee of the Supervisory Board of RIAM.

Remuneration policy (continued)

Additional rules for Identified Staff (continued)

Control Function Staff (continued)

Identified Staff

The following rules apply to the fixed and variable remuneration of Identified Staff:
- The fixed remuneration is sufficient to guarantee that RIAM can attract qualified and experienced staff.
- Part of the variable remuneration is paid in cash and part of it is deferred and converted into instruments, based on the payment/redemption table below. The threshold of EUR 50,000 does not apply. In the occasional event that the amount of variable remuneration is more than twice the amount of fixed remuneration, the percentages between brackets in the table below will apply

	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%)

Risk control measures

RIAM 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 the core values) in order to meet business objectives or other objectives
- a considerable deterioration in RIAM's financial result becomes apparent
- a serious violation of the risk management system is committed
- 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 of RIAM.

Ex-post risk assessment claw back – for all employees

RIAM may reclaim all or part of the variable remuneration paid if (i) this payment was made on the basis of incorrect information, (ii) in the event that fraud has been committed by the employee, (iii) in the event of serious improper behavior on the part of the employee or serious negligence in the performance of his or her tasks, or (iv) in the event of behavior that has resulted in considerable losses for the organization.

Ex-post risk assessment malus – for Identified Staff

Before paying any part of the deferred remuneration, RIAM may decide, as a form of ex-post risk adjustment, to apply a malus on the following grounds:
- evidence of fundamental misconduct, error and integrity issues by the staff member (e.g. breach of code of conduct, if any, and other internal rules, especially concerning risks);
- a staff member having caused a considerable deterioration in the financial performance of RIAM or any fund managed by it, especially to the extent this performance was relevant to the award of variable remuneration;
- a significant deficiency in the risk management of RIAM or any fund managed by it; or
- significant changes in the overall financial situation of RIAM.

Ex-ante risk assessment – for Identified Staff

Before granting an in-year variable remuneration to Identified Staff, RIAM may decide, as a form of ex-ante risk adjustment, to apply a reduction or even reduce the variable remuneration proposal to zero in case of compliance and risk related matters, collectively or individually.

Approvals

In accordance with RIAM’s governance, the remuneration of the Management Board is determined by the shareholder (ORIX Corporation Europe N.V.), based on a proposal from the Supervisory Board of RIAM who has been advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. The remuneration of employees earning in total more than EUR 500,000 per annum or are granted variable remuneration in excess of 200% of fixed remuneration requires the approval of the Supervisory Board (advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM). The remuneration of employees earning in total more than EUR 500,000 per annum also requires the approval of the 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.

Remuneration policy (continued)

Remuneration in 2023
Of the total amounts granted in remuneration[1] by RIAM in 2023 to the group's Board, Identified Staff and Other Employees, the following amounts are to be assigned to the Fund:

Remuneration in EUR x 1		
Staff category	**Fixed pay for 2023**	**Variable pay for 2023**
Board (3 members)	658	825
Identified Staff (105) (ex Board)	7,413	5,714
Other employees (722 employees)	23,695	6,712

The total of the fixed and variable remuneration charged to the Fund is EUR 45,017. Imputation occurs according to the following key:

$$\text{Total remuneration (fixed and variable) x } \frac{\text{Total Fund assets}}{\text{Total assets under management (RIAM)}}$$

The Fund itself does not employ any personnel and has therefore not paid any remuneration above EUR 1 million.

[1] The remunerations relate to activities performed for one or more Robeco entities.

Remuneration manager
The manager (RIAM) has paid to 3 employees a total remuneration above EUR 1 million.

Report by the manager (continued)

Sustainable investing

Safeguarding economic, environmental and social assets is a prerequisite for a healthy economy and the generation of attractive returns in the future. Robeco's mission therefore, is to enable our clients to achieve their financial and sustainability goals by providing superior investment returns and solutions. Robeco is an active owner, integrating material ESG issues systematically into investment processes, having a net zero roadmap in place and a broad range of sustainable solutions. Responsibility for implementing sustainable investing lies with the CIO, who also has a seat on Robeco's Executive Committee.

ESG integration by Robeco

Sustainability brings about change in markets, countries, and companies in the long term. Since changes affect future performance, Robeco believes the analysis of ESG factors can add value to its investment process. Robeco therefore looks at these factors in the same way as it considers a company's financial position or market momentum. To analyze ESG factors Robeco has research available from leading sustainability experts, including Robeco's own proprietary research from the Sustainable Investing research team. This dedicated team works closely together with Robeco's investment teams to provide in-depth sustainability information to the investment process.

Investment analysis focuses on the most material ESG factors and how these factors may drive the financial performance of a company. Robeco can then focus on the most relevant information in performing investment analysis to reach better informed investment decisions.

In 2023, Robeco made the following improvements:

An increasing number of Robeco's investment teams have incorporated the Robeco Climate Scores into their investment processes to improve their climate analysis. Now with most teams using the same methodology, there is greater quality and consistency of analysis. For government bonds a specific Climate Score for countries has been developed, which is among others used in our Active Ownership policy.

For most of the Fixed Income funds we have implemented minimum allocation percentages to ESG labeled bonds. These bonds are tested for eligibility using our in house five-step framework.

Contributing to the Sustainable Development Goals

Robeco is a signatory in the Netherlands to the Sustainable Development Goals Investing Agenda. To help clients contribute to the objectives, Robeco developed a framework to analyze the SDG[1] contribution of companies and countries and SDG investment solutions. Currently, multiple solutions are available in equity and fixed income, and the amount of assets managed in line with Robeco's SDG methodology is increasing rapidly.

Furthermore, Robeco contributes to the SDGs by integrating ESG factors in its decision-making process for investments and encourages companies to act in support of these goals by means of a constructive dialogue. The SDGs are continually considered throughout Robeco's engagement and voting activities.

Combatting climate change

Robeco's approach to climate change includes integrating climate issues into the investment process and engaging with investee companies. Additionally, climate risks to our funds are assessed and monitored by the Financial Risk Management department. In 2020, Robeco announced the ambition to achieve net-zero greenhouse gas (GHG) emissions by 2050 across all its assets under management. In 2021, this was followed by the publication of Robeco's Net Zero Roadmap published on the Robeco website.

As part of the roadmap, Robeco aims to decarbonize its investments 30% by 2025 and 50% by 2030. Robeco follows the Paris Agreement which sets a target of 7% decarbonization of assets per annum on average. However, Robeco's ability to decarbonize in the long term will be dependent on the global economy's decarbonization. Living up to the same standards Robeco sets for others, it aims to reach net zero by 2050 to its own operations with targets to reduce its operational emissions by 35% by 2025 and by 50% by 2030. This encompasses all emissions associated with business travel, electricity, heating, and other business activities. In April 2023, Robeco reported progress toward these goals in the 2022 Sustainability Report published on the Robeco website.

[1] Sustainable Development Goals as defined by the United Nations

Sustainable investing (continued)

Exclusion
Robeco's Exclusion Policy sets minimum standards for company activities and products that are detrimental to society to avoid investments clients would deem unsuitable. Robeco excludes companies involved in the production or trade of controversial weapons such as cluster munition and anti-personnel mines, tobacco production, the most pollutive fossil fuel activities, non-RSPO certified palm oil producers and companies that severely and structurally violate either the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. Robeco publishes its Exclusion Policy and the list of excluded companies and countries on its website.

Active ownership
Robeco has an active ownership policy for governments. This policy might involve government bonds relevant for the Robeco Institutional Sustainable Core Euro Bonds Fund.

New regulation; the EU plan for financing sustainable development
The EU’s Sustainable Finance Action Plan was one of the most impactful pieces of regulation to hit the investment management industry since MiFID II. A core tenet of the plan is the Sustainable Finance Disclosure Regulation (SFDR), which classifies investment funds according to their sustainability credentials for the first time. On March 10 2021 all Robeco funds were classified to be either article 6 (do not promote ESG characteristics), article 8 (Environment and Social promoting strategies) or article 9 (strategies with sustainable investment as its objective). Fund documentation, like the prospectus and the factsheets, have also been adjusted to contain more specific information on how ESG is integrated as the disclosure regulation requires. Lastly, a sustainable risk policy, good governance policy and principal adverse impact policy were published on the website, along with a range of other documentation. In 2023, Robeco enhanced many of the disclosures published on its website, to conform with the requirements of Level 2 SFDR.

Robeco Institutional Sustainable Core Euro Bonds Fund is classified as Article 8 under the SFDR. More information is available in the precontractual and periodical SFDR disclosures of the Fund on the Robeco website. Attached to this annual report the Annex IV disclosure for the Fund can be found with detailed information on the achievement of the sustainability goals over the reporting period.

Rotterdam, 25 April 2024

The Manager

Annual financial statements

Balance sheet

Before profit appropriation	Notes	31/12/2023 EUR' 000	31/12/2022 EUR' 000
ASSETS			
Investments			
Debt securities including fixed-income securities	1	53,071	293,426
Derivatives	2	171	1,499
Total investments		**53,242**	**294,925**
Accounts receivable			
Receivables on securities transactions		–	1
Dividend receivable	3	347	1,200
Other receivables, prepayments and accrued income	4	91	1,302
Total accounts receivable		**438**	**2,503**
Other assets			
Cash and cash equivalents	5	**1,515**	**2,025**
LIABILITIES			
Investments			
Derivatives	2	**106**	**872**
Accounts payable			
Payable to credit institutions	6	–	154
Payables on securities transactions		549	–
Payable to affiliated parties	7	8	38
Other liabilities, accruals and deferred income	8	43	24
Total accounts payable		**600**	**216**
Accounts receivable and other assets less accounts payable		**1,353**	**4,312**
Assets less liabilities		**54,489**	**298,365**
Composition of Fund assets	9, 10		
Participants capital	9	89,688	340,893
General reserve	9	(42,528)	9,387
Undistributed earnings	9	7,329	(51,915)
Fund assets		**54,489**	**298,365**

The numbers of the items in the financial statements refer to the numbers in the Notes.

Annual financial statements (continued)

Profit and loss account

	Notes	2023 EUR' 000	2022 EUR' 000
Direct investment result			
Investment income	12	1,766	1,238
Indirect investment result			
Unrealized gains	1, 2	37,531	4,274
Unrealized losses	1, 2	(1,813)	(38,954)
Realized gains	1, 2	4,209	10,622
Realized losses	1, 2	(34,297)	(29,078)
Cancellation and placement fees		75	149
Total operating income		**7,471**	**(51,749)**
Costs	16, 17		
Management fee	13	115	143
Other costs	15	27	23
Total operating expenses		**142**	**166**
Net result		**7,329**	**(51,915)**

The numbers of the items in the financial statements refer to the numbers in the Notes.

Annual financial statements (continued)

Cash flow statement

	Notes	2023 EUR' 000	2022 EUR' 000
Cash flow from investment activities			
Net result		7,329	(51,915)
Unrealized changes in value	1, 2	(35,718)	34,680
Realized changes in value	1, 2	30,088	18,456
Purchase of investments	1, 2	(60,905)	(498,121)
Sale of investments	1, 2	307,452	402,787
Increase (-)/decrease (+) accounts receivable	3	854	(668)
Increase (+)/decrease (-) accounts payable	7, 8	519	(4)
		249,619	**(94,785)**
Cash flow from financing activities			
Received for units subscribed		34,447	117,225
Paid for repurchase of own units		(285,652)	(23,687)
Increase (-)/decrease (+) accounts receivable	4	1,211	(56)
Increase (+)/decrease (-) accounts payable	8	19	(71)
		(249,975)	**93,411**
Net cash flow		**(356)**	**(1,374)**
Increase (+)/decrease (-) cash		**(356)**	**(1,374)**
Cash at opening date	5	2,025	3,437
Accounts payable to credit institutions at opening date	6	(154)	(192)
Total cash at opening date		**1,871**	**3,245**
Cash at closing date	5	1,515	2,025
Accounts payable to credit institutions at closing date	6	–	(154)
Total cash at closing date		**1,515**	**1,871**

The numbers of the items in the financial statements refer to the numbers in the Notes.

Notes

General

The annual financial statements have been drawn up in conformity with Part 9, Book 2 of the Dutch Civil Code. The Fund's financial year is the same as the calendar year.

Accounting principles

General
The financial statements are produced according to the going concern assumption. Unless stated otherwise, items shown in the financial statements are stated at nominal value and expressed in thousands of euros. Assets and liabilities are recognized or derecognized in the balance sheet on the transaction date.

Financial investments
Financial investments are classified as trading portfolio and are valued at fair value, unless stated otherwise. The fair value of stocks is determined on the basis of market prices and other market quotations at closing date. For forward exchange contracts, internal valuation models are used and the value is based on quoted currency rates and reference interest rates at closing date. Transaction costs incurred in the purchase and sale of investments are included in the purchase or sale price as appropriate. Transaction costs incurred in the purchase of investments are therefore recognized in the first period of valuation as part of the value changes in the profit and loss account. Transaction costs incurred in the sale of investments are part of the realized results in the profit and loss account. Changes to the valuation model for forward currency contracts may lead to a different valuation. Derivative instruments with a negative fair value are recognized under the derivatives item under investments on the liability side of the balance sheet.

Recognition and derecognition of items in the balance sheet
Investments are recognized or derecognized in the balance sheet on the transaction date. Equities and derivatives are recognized in the balance sheet on the date the purchase transaction is concluded. Equities are derecognized in the balance sheet on the date the sale transaction is concluded. Derivatives are fully or partially derecognized in the balance sheet on the date the sales transaction is concluded or if the contract is settled on the expiry date. Accounts receivable and payable are recognized in the balance sheet on the date that contractual rights or obligations with respect to the receivables or payables arise. Receivables and payables are derecognized in the balance sheet when, as a result of a transaction, the contractual rights or obligations with respect to the receivables or payables no longer exist.

Presentation of derivatives
Derivatives are recognized in the balance sheet at fair value. The presentation of the fair value is based on the liabilities and receivables per contract. The receivables are reported under assets and obligations are reported under liabilities. The value of the derivatives' underlying instruments is not included on the balance sheet. Where applicable, the underlying value of derivatives is included in the information provided on the currency and concentration risk.

Netting
Financial assets and liabilities with the same party are offset, and the net amount is reported in the statement of financial position, when the Fund has a current, legally enforceable right to set off the recognised amounts and intends to either settle on a net basis, or to realise the asset and settle the liability at the same time.

Use of estimates
In preparing these financial statements, the manager has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Cash and cash equivalents
Cash and cash equivalents are carried at nominal value. If cash is not freely disposable, this is factored into the valuation.

Accounts receivable
Receivables are valued after initial recognition at amortized cost based on the effective interest method, less impairments. Given the short-term character of the receivables, the value is equal to the nominal value.

Notes (continued)

Accounting principles (continued)

Debt
Non-current debts and other financial obligations are valued, after initial recognition, at the amortized cost price based on the effective interest method. Given the short-term character of the debt, the value is equal to the nominal value.

Principles for determining the result

General
Investment results are determined by investment income, rises or declines in stock prices and results on derivatives. Results are allocated to the period to which they relate and are accounted for in the profit and loss account.

Recognition of income
Income items are recognized in the profit and loss account when an increase of the economic potential associated with an increase of an asset or a reduction of a liability has occurred and the amount of this can be reliably established.

Recognition of expenses
Expense items are recognized when a reduction of the economic potential associated with a reduction of an asset or an increase of a liability has occurred and the amount of this can be reliably established.

Investment income
This includes the net cash dividends declared during the year under review, the nominal value of stock dividends declared, interest received and paid and proceeds. Accrued interest at balance sheet date is taken into account.

Payment for deposits and withdrawals
The manager can charge a fee on entry or extension and on – partial – termination to cover the associated transaction costs to be deducted from the purchase resp. sales value. These fees, expressed as a percentage of the purchase resp. sales value, accrue to the Fund and are processed in the profit and loss account. The fee thus determined can be requested from the manager.

Changes in value
Realized and unrealized capital gains and losses on securities and currencies are presented under this heading. Realization of capital gains takes place on selling as the difference between the sales value and the average historical cost price. Unrealized capital gains relate to value changes in the portfolio between the beginning of the financial year and the balance sheet date, corrected by the realized gains when positions are sold or settlement takes place.

Principles for cash flow statement

General
This cash flow statement has been prepared using the indirect method. Cash comprises items that may or may not be directly callable. Accounts payable to credit institutions include debit balances in bank accounts.

Risks relating to financial instruments

Investment risk
The value of investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the Fund depends on developments in the financial markets and can therefore either rise or fall. Participants run the risk that their investments may end up being worth less than the amount invested, or even worth nothing. The general investment risk can also be characterized as market risk.

Market risk
Market risk can be divided into three types: price risk, currency risk and concentration risk. Market risks are contained using limits on quantitative risk measures such as volatility or value-at-risk. This means that the underlying risk types (price risk, currency risk and concentration risk) are also indirectly contained.

Notes (continued)

Risks relating to financial instruments (continued)

Market risk (continued)

Price risk

The net asset value of the Fund is sensitive to market movements. In addition, investors should be aware of the possibility that the value of investments may vary as a result of changes in political, economic or market circumstances, as well as changes in an individual business situation. The entire portfolio is exposed to price risk. The degree of price risk that the Fund runs depends among other things on the risk profile of the Fund's portfolio. More detailed information on the risk profile of the Fund's portfolio can be found in the section on Return and risk of the investment policy on page 8.

Currency risk

All or part of the securities portfolio of the Fund may be invested in currencies, or financial instruments denominated in currencies other than the euro. As a result, fluctuations in exchange rates may have both a negative and a positive effect on the investment result of the Fund. Currency risks may be hedged with currency forward transactions and currency options. Currency risks can be limited by applying relative or absolute currency concentration limits. As of the end of 2023, the Fund held no positions in foreign currencies.

Concentration risk

Based on its investment policy, the Fund may invest in financial instruments from issuing institutions that operate mainly within the same sector or region, or in the same market. In the case of concentrated investment portfolios, events within the sectors, regions or markets in which they invest have a more pronounced effect on the Fund’s assets than in less concentrated investment portfolios. Concentration risks can be limited by applying relative or absolute country or sector concentration limits.

The portfolio includes positions in bond index futures at balance sheet date.

The table below shows the exposure to interest rates through debt securities and bond index futures per country in amounts and as a percentage of the Fund's total equity capital.

Concentration risk by country

			31/12/2023	31/12/2023	31/12/2022
	Debt securities EUR' 000	Exposure to stock index futures EUR' 000	Total exposure EUR' 000	% of net assets	% of net assets
Austria	2,395	–	2,395	4.40	8.70
Belgium	3,993	–	3,993	7.33	7.39
Finland	1,419	–	1,419	2.60	3.68
France	9,622	–	9,622	17.66	17.94
Germany	20,544	65[1]	20,609	37.82	31.41
Ireland	961	–	961	1.76	0.98
Luxembourg	212	–	212	0.39	0.46
Netherlands	6,707	–	6,707	12.31	13.32
Supranational	7,218	–	7,218	13.25	14.67
Total	**53,071**	**65**	**53,136**	**97.52**	**98.55**

[1] Index futures that cover multiple countries are listed under the country where the futures are traded.

All outstanding futures have a remaining term of less than three months.

Leverage risk

The Fund may make use of derivative instruments, techniques or structures. They may be used for hedging risks, and for achieving investment objectives and ensuring efficient portfolio management. These instruments may be leveraged, which will increase the Fund’s sensitivity to market fluctuations. The risk of derivative instruments, techniques or structures will always be limited within the conditions of the Fund's integral risk management. The degree of leverage in the Fund, measured using the gross method (where 0% exposure indicates no leverage) over the year, as well as on the balance sheet date, is shown in the table below. The gross method means that the absolute underlying value of the long positions and the short positions in derivatives are added up and represented as a percentage of the assets.

Notes (continued)

Risks relating to financial instruments (continued)

Leverage risk (continued)

	Lowest exposure during the reporting year	Highest exposure during the reporting year	Average exposure during the reporting year	Exposure at the reporting year end
Robeco Institutional Sustainable Core Euro Bonds Fund	15%	57%	44%	38%

Credit risk

Credit risk occurs when a counterparty of the Fund fails to fulfil its financial obligations arising from financial instruments in the Fund. Credit risk is limited as far as possible by exercising an appropriate degree of caution in the selection of counterparties. In selecting counterparties, the assessments of independent rating bureaus are taken into account, as are other relevant indicators. Wherever it is customary in the market, the Fund will demand and obtain collateral in order to mitigate credit risk. The figure that best represents the maximum credit risk is given in the table below.

	31/12/2023		31/12/2022	
	EUR' 000	% of net assets	EUR' 000	% of net assets
Bonds	53,071	97.40	293,426	98.34
Unrealized gain on derivatives	171	0.31	1,499	0.50
Accounts receivable	438	0.80	2,503	0.84
Cash and cash equivalents	1,515	2.78	2,025	0.68
Total	**55,195**	**101.29**	**299,453**	**100.36**

No account is taken of collateral received in the calculation of the total credit risk. Credit risk is contained by applying limits on the exposure per counterparty as a percentage of the Fund's assets.

The table below contains the counterparties with an exposure of more than 5% of the total assets. All counterparties are pre-approved by Robeco. Procedures have been established relating to the selection of counterparties, specified on the basis of external credit ratings and credit spreads.

Counterparty name	Total exposure EUR' 000	% of net assets	Rating
Belgium Government	3,993	7.33	AA
European Investment Bank	3,033	5.57	AAA
French Government	5,562	10.22	AA
German Government	17,401	31.94	AAA
Netherlands Government	3,561	6.53	AAA

The issuer of a debt securities or other fixed-income financial instrument can fail to meet their financial obligations. Depending on the investment policy, the Fund can invest in instruments that are exposed to this so-called credit risk. Credit risk can be kept down by applying relative or absolute (credit) rating limits.

The table below contains the credit ratings for investments in debt securities.

Credit rating *

	31/12/2023	31/12/2022
	% of the debt securities	% of the debt securities
Investment grade	100.00	100.00
Total	**100.00**	**100.00**

* Credit rating designations BBB or above are considered investment grade.

Notes (continued)

Risks relating to financial instruments (continued)

Liquidity risk
We distinguish between asset liquidity risk and funding liquidity risk, which are closely connected:

Asset liquidity risk arises when transactions cannot be executed in a timely fashion at quoted market prices and/or at acceptable transaction cost levels due to the size of the trade. Or in more extreme cases, when they cannot be conducted at all. Asset liquidity risk is a function of transaction size, transaction time and transaction cost.

Funding liquidity risk arises when the redemption requirements of clients or other liabilities cannot be met without significantly impacting the value of the portfolio. Funding liquidity risk will only arise if there is also asset liquidity risk. During the reporting period all client redemptions have been met.

Interest-rate risk
Interest-rate fluctuations can affect the value of the fixed-income investments. Interest-rate risk can be covered by means of interest-rate swaps and futures. The table below contains an overview of the portfolio (including exposure to derivatives) broken down according to remaining time to maturity.

Remaining time to maturity in years

	% of net assets 31/12/2023	% of net assets 31/12/2022
0 to 1 year	11.83	4.91
1 to 5 years	30.82	36.12
5 to 10 years	31.38	34.02
10 to 15 years	9.60	10.04
15 to 20 years	7.47	8.52
More than 20 years	8.90	6.39
Total	**100.00**	**100.00**

The average modified duration[1] as at 31 December 2023 was 7.9 years (7.5 years as at December 2022).

[1] The concept 'modified duration' is a means of measuring interest rate sensitivity, and thereby a portfolio's interest rate risk. It reflects by approximation the percentage value change in a portfolio that takes place as a result of the rise or fall of the interest rate by one percentage point.

Manager
Robeco Institutional Asset Management B.V. ("RIAM") is the fund manager. In this capacity, RIAM handles the asset management, administration, marketing and distribution of the Fund. RIAM holds an AIFMD license as referred to in Section 2:65 Wft. In addition, RIAM is licensed as a manager of UCITS (2:69b Wft, the Dutch Financial Supervision Act), which includes managing individual assets and giving advice on financial instruments. RIAM is subject to supervision by the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, "AFM"). RIAM has listed the Fund with AFM. RIAM is a 100% subsidiary of ORIX Corporation Europe N.V. via Robeco Holding B.V. ORIX Corporation Europe N.V. is a part of ORIX Corporation.

Depositary
The assets of the Fund are held in custody by J.P. Morgan SE, Amsterdam Branch. J.P. Morgan SE, Amsterdam Branch is appointed as the depositary of the Fund as referred to in Section 4:62m Wft. The depositary is responsible for supervising the Fund insofar as required under and in accordance with the applicable legislation. The manager, the legal title holder (Stichting Custody Robeco Institutional) and J.P. Morgan SE, Amsterdam Branch have concluded a depositary and custodian agreement.

Liability of the depositary
The depositary is liable to the Fund and/or the participants for the loss of a financial instrument under the custody of the depositary or of a third party to which custody has been transferred. The depositary is not liable if it can demonstrate that the loss is a result of an external event over which it in all reasonableness had no control and of which the consequences were unavoidable, despite all efforts to ameliorate them. The depositary is also liable to the Fund and/or the participants for all other losses they suffer because the depositary has not fulfilled its obligations as stated in this depositary and custodian agreement either deliberately or through negligence. Participants may make an indirect claim upon the liability of the depositary through the manager. If the manager refuses to entertain such a request, the participants are authorized to submit the claim for losses directly to the depositary.

Notes (continued)

Risks relating to financial instruments (continued)

Affiliated parties

The Fund and the manager may utilize the services of and carry out transactions with parties affiliated to the Fund, as defined in the BGfo, such as RIAM, Robeco Nederland B.V. and ORIX Corporation. The services entail the execution of tasks that have been outsourced to these parties such as (1) securities lending, (2) hiring temporary staff and (3) issuance and repurchase of the Fund's participating units. Transactions that can be carried out with affiliated parties include the following: treasury management, derivatives transactions, lending of financial instruments, credit extension, purchase and sale of financial instruments on regulated markets or through multilateral trading facilities. All these services and transactions are executed at market rates.

Notes to the balance sheet

1. Debt securities including fixed-income securities

Movements in the bond portfolio

	2023 EUR' 000	2022 EUR' 000
Book value (fair value) at opening date	293,426	251,180
Purchases	60,575	498,121
Sales	(307,452)	(395,552)
Unrealized gains / (losses)	36,280	(34,632)
Realized gains / (losses)	(29,758)	(25,691)
Book value (fair value) at closing date	**53,071**	**293,426**

The realized and unrealized results on derivatives do not contain any exchange rate differences.

A breakdown of this portfolio is provided under the heading Schedule of Investments. All investments are admitted to a regulated market and have quoted market prices. A breakdown according to countries, remaining time to maturity and credit rating is included under the information on Risks relating to financial instruments.

Transaction costs

Brokerage costs and exchange fees relating to investment transactions are discounted in the cost price or the sales value of the investment transactions. These costs and fees are charged to the result ensuing from changes in value. During the reporting period, there were no explicit transaction costs for the debt securities. The transaction costs for debt securities and other fixed-income securities are not charged separately. However, fees are charged for futures. These fees are detailed further under the notes on derivatives.

2. Derivatives

Movements in derivatives

	Financial future contracts	
	2023 EUR' 000	2022 EUR' 000
Book value (fair value) at opening date	627	675
Purchases	330	–
Sales	–	(7,235)
Unrealized gains / (losses)	(562)	(48)
Realized gains / (losses)	(330)	7,235
Book value (fair value) at closing date	**65**	**627**

The realized and unrealized results on derivatives do not contain any exchange rate differences.

The presentation of derivatives on the balance sheet is based on the liabilities and receivables per contract.

Presentation of derivatives in the balance sheet

	Assets		Liabilities		Total	
	31/12/2023 EUR' 000	31/12/2022 EUR' 000	31/12/2023 EUR' 000	31/12/2022 EUR' 000	31/12/2023 EUR' 000	31/12/2022 EUR' 000
Financial Futures Contract	171	1,499	106	872	65	627
Book value (fair value) at closing date	**171**	**1,499**	**106**	**872**	**65**	**627**

Transaction cost

Costs are charged for transactions in futures. These costs are contained in the table below.

	2023 EUR' 000	2022 EUR' 000
Futures	–	3

The breakdown according to region for futures is given under the information on concentration risk under the information on risks relating to financial instruments.

Notes to the balance sheet (continued)

3. Dividend receivable

These are receivables arising from net dividends declared but not yet received.

4. Other receivables, prepayments and accrued income

This concerns:

	31/12/2023 EUR' 000	31/12/2022 EUR' 000
Receivables from issuance of new participation units	91	1,302
Sub-total (financing activities)	**91**	**1,302**
Total	**91**	**1,302**

5. Cash and cash equivalents

This concerns:

	31/12/2023 EUR' 000	31/12/2022 EUR' 000
Freely available cash	1,483	2,025
Other cash not freely accessible	32	–
Total	**1,515**	**2,025**

6. Payable to credit institutions

This concerns temporary debit balances on bank accounts caused by investment transactions.

7. Payable to affiliated parties

This concerns the following payables to RIAM:

	31/12/2023 EUR' 000	31/12/2022 EUR' 000
Payable for management fee	8	38
Total	**8**	**38**

8. Other liabilities, accruals and deferred income

This concerns:

	31/12/2023 EUR' 000	31/12/2022 EUR' 000
Costs payable	5	5
Sub-total (investment activities)	**5**	**5**
Payable for acquisition of own participation units	38	19
Sub-total (financing activities)	**38**	**19**
Total	**43**	**24**

Notes to the balance sheet (continued)

9. Fund assets

	2023 EUR' 000	2022 EUR' 000
Development of Fund assets		
Participants capital Robeco Institutional Sustainable Core Euro Bonds Fund		
Situation on opening date	340,893	247,355
Received on participating units issued	34,447	117,225
Paid for participating units repurchased	(285,652)	(23,687)
Situation on closing date	**89,688**	**340,893**
General reserve		
Situation on opening date	9,387	17,592
Addition of result in previous financial year	(51,915)	(8,205)
Situation on closing date	**(42,528)**	**9,387**
Undistributed earnings		
Situation on opening date	(51,915)	(8,205)
Net result	7,329	(51,915)
Addition to the general reserve	51,915	8,205
Situation on closing date	**7,329**	**(51,915)**
Situation on closing date	**54,489**	**298,365**

10. Fund assets, participating units outstanding and net asset value per participating unit

	31/12/2023	31/12/2022	31/12/2021
Robeco Institutional Sustainable Core Euro Bonds Fund			
Assets in EUR' 000	54,489	298,365	256,742
Number of participating units outstanding	513,937	3,006,956	2,094,824
Net asset value per participating unit in EUR	106.02	99.22	122.56

11. Contingent liabilities

As at balance sheet date, the Fund had no contingent liabilities.

Notes to the profit and loss account

Income

12. Investment income

This concerns the balance of interest received and paid on bank assets and interest received and payable on debt securities.

	2023 EUR' 000	2022 EUR' 000
Interest	1,766	1,238
Total	**1,766**	**1,238**

Costs

13. Management fee and service fee

The management fee and service fee are charged by the manager. The fees are calculated daily on the basis of the Fund's assets.

Management fee and service fee specified in the information memorandum

	Robeco Institutional Sustainable Core Euro Bonds Fund %
Management fee	0.06

The management fee covers all current costs resulting from the management and marketing of the Fund. If the manager outsources operations to third parties, any costs associated with this will also be paid from the management fee.

The costs for the external auditor incurred by the Fund are paid by RIAM from the management fee. The Fund's result therefore does not include the costs for the external auditor. Of the costs covered by RIAM for the external auditor, EUR 8 thousand related to the auditing of Robeco Institutional Sustainable Core Euro Bonds Fund. The costs paid by RIAM for the external auditor relate to the audit of the financial statements.

14. Performance fee

Robeco Institutional Sustainable Core Euro Bonds Fund is not subject to a performance fee.

15. Other costs

This concerns:

	2023 EUR' 000	2022 EUR' 000
Custody fee	18	13
Depositary fee	9	10
Total	**27**	**23**

16. Ongoing charges

	2023 %	2022 %
Management fee	0.06	0.06
Other costs	0.01	0.01
Total	**0.07**	**0.07**

The percentage of ongoing charges is based on the average assets. The average assets are calculated on a daily basis. The ongoing charges include all costs charged to the share classes in the reporting period, excluding the costs of transactions in financial instruments and interest charges. The ongoing charges do not include any payment of entry or exit costs charged by distributors.

Notes to the profit and loss account (continued)

Costs (continued)

17. Maximum costs

For some cost items, the Fund's information memorandum specifies a maximum percentage of average net assets. The table below compares these maximum percentages with the costs actually charged.

	2023 EUR' 000	2023 % of net assets	Maximum as specified in the information memorandum
Management fee for Robeco Institutional Sustainable Core Euro Bonds Fund	115	0.06	0.06
Custody fee and bank cost	18	0.01	0.10
Depositary fee	9	0.00	0.01

18. Turnover rate

The turnover rate for the reporting period was 25% (for the previous reporting period it was 315%). This rate shows the rate at which the Fund's portfolio is turned over and is a measure of the incurred transaction costs resulting from the portfolio policy pursued and the ensuing investment transactions. The turnover rate is determined by expressing the amount of the turnover as a percentage of the average Fund assets. The average Fund assets are calculated on a daily basis. The amount of the turnover is determined by the sum of the purchases and sales of investments less the sum of issuance and repurchase of own shares. The sum of issues and repurchases of own participating units is determined as the balance of all issues and repurchases in the Fund. Cash and money-market investments with an original life to maturity of less than one month are not taken into account in the calculation.

19. Transactions with affiliated parties

No transactions were effected with affiliated parties during the reporting period other than calculated management costs and the service fee. During the reporting period the Fund paid RIAM the following amounts in management fee and service fee:

	Counterparty	2023 EUR' 000	2022 EUR' 000
Management fee	RIAM	115	143

20. Fiscal status

The Fund is transparent for tax purposes. A detailed description of its fiscal status is included in the general information of the management report on page 4.

21. Proposed profit appropriation

The manager proposes adding the result for Robeco Institutional Sustainable Core Euro Bonds Fund for the financial year to the reserves.

22. Subsequent events

No significant events that may impact the Fund occurred after balance sheet date.

Schedule of Investments

As at 31 December 2023

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Bonds				
Austria				
Austria Government Bond, Reg. S, 144A 0% 20/02/2030	EUR	235,000	203	0.37
Austria Government Bond, Reg. S, 144A 0.9% 20/02/2032	EUR	1,419,000	1,249	2.29
Austria Government Bond, Reg. S, 144A 0.25% 20/10/2036	EUR	605,000	444	0.82
Austria Government Bond, Reg. S, 144A 0% 20/10/2040	EUR	467,000	293	0.54
Austria Government Bond, Reg. S, 144A 0.75% 20/03/2051	EUR	55,000	33	0.06
Austria Government Bond, Reg. S, 144A 3.8% 26/01/2062	EUR	69,000	83	0.15
Austria Government Bond, Reg. S, 144A 0.7% 20/04/2071	EUR	89,000	43	0.08
Austria Government Bond, Reg. S, 144A 1.5% 02/11/2086	EUR	74,000	47	0.09
			2,395	4.40
Belgium				
Belgium Government Bond, Reg. S, 144A 4.5% 28/03/2026	EUR	600,000	627	1.15
Belgium Government Bond, Reg. S, 144A 0.8% 22/06/2027	EUR	605,000	576	1.06
Belgium Government Bond, Reg. S, 144A 0% 22/10/2027	EUR	433,000	399	0.73
Belgium Government Bond, Reg. S, 144A 0.9% 22/06/2029	EUR	217,000	202	0.37
Belgium Government Bond, Reg. S, 144A 3% 22/06/2033	EUR	465,000	480	0.88
Belgium Government Bond, Reg. S, 144A 3% 22/06/2034	EUR	146,000	150	0.28
Belgium Government Bond, Reg. S, 144A 1.9% 22/06/2038	EUR	430,000	380	0.70
Belgium Government Bond, Reg. S, 144A 0.4% 22/06/2040	EUR	745,000	497	0.91
Belgium Government Bond, Reg. S, 144A 1.6% 22/06/2047	EUR	64,000	48	0.09
Belgium Government Bond, Reg. S, 144A 1.4% 22/06/2053	EUR	301,000	202	0.37
Belgium Government Bond, Reg. S, 144A 3.3% 22/06/2054	EUR	236,000	241	0.44
Belgium Government Bond, Reg. S, 144A 2.15% 22/06/2066	EUR	100,000	79	0.15
Belgium Government Bond, Reg. S, 144A 0.65% 22/06/2071	EUR	42,000	19	0.03
Belgium Government Bond, Reg. S 3.75% 22/06/2045	EUR	84,000	93	0.17
			3,993	7.33
Finland				
Finland Government Bond, Reg. S, 144A 0.5% 15/09/2028	EUR	391,000	360	0.66
Finland Government Bond, Reg. S, 144A 1.5% 15/09/2032	EUR	279,000	257	0.47
Finland Government Bond, Reg. S, 144A 1.125% 15/04/2034	EUR	102,000	89	0.16
Finland Government Bond, Reg. S, 144A 2.75% 15/04/2038	EUR	178,000	178	0.33
Finland Government Bond, Reg. S, 144A 0.25% 15/09/2040	EUR	300,000	199	0.36
Kuntarahoitus OYJ, Reg. S 0.05% 06/09/2029	EUR	385,000	336	0.62
			1,419	2.60
France				
Agence Francaise de Developpement EPIC, Reg. S 1.375% 17/09/2024	EUR	500,000	492	0.90
Agence Francaise de Developpement EPIC, Reg. S 2.875% 21/01/2030	EUR	400,000	404	0.74
Agence Francaise de Developpement EPIC, Reg. S 0.125% 29/09/2031	EUR	600,000	489	0.90
France Government Bond OAT, Reg. S, 144A 1.25% 25/05/2036	EUR	660,000	558	1.03
France Government Bond OAT, Reg. S, 144A 0.5% 25/06/2044	EUR	1,589,000	996	1.83
France Government Bond OAT, Reg. S, 144A 2% 25/05/2048	EUR	191,000	158	0.29
France Government Bond OAT, Reg. S, 144A 0.75% 25/05/2053	EUR	976,000	548	1.01
France Government Bond OAT, Reg. S, 144A 3% 25/05/2054	EUR	343,000	337	0.62
France Government Bond OAT, Reg. S 0% 25/02/2025	EUR	576,000	557	1.02
France Government Bond OAT, Reg. S 1% 25/05/2027	EUR	216,000	207	0.38

Schedule of Investments (continued)

As at 31 December 2023

Investments	**Currency**	**Quantity/ Nominal Value**	**Market Value EUR' 000**	**% of Net Assets**
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
France (continued)				
France Government Bond OAT, Reg. S 2% 25/11/2032	EUR	224,000	216	0.40
France Government Bond OAT, Reg. S 3.5% 25/11/2033	EUR	700,000	757	1.39
France Government Bond OAT, Reg. S 1.25% 25/05/2034	EUR	939,000	825	1.51
France Government Bond OAT, Reg. S 1.25% 25/05/2038	EUR	495,000	403	0.74
Regie Autonome des Transports Parisiens EPIC, Reg. S 0.875% 25/05/2027	EUR	600,000	566	1.04
SNCF Reseau, Reg. S 0.875% 22/01/2029	EUR	500,000	459	0.84
SNCF Reseau, Reg. S 1% 09/11/2031	EUR	600,000	526	0.96
SNCF Reseau, Reg. S 0.75% 25/05/2036	EUR	300,000	228	0.42
Societe Du Grand Paris EPIC, Reg. S 1.125% 25/05/2034	EUR	500,000	417	0.77
Societe Du Grand Paris EPIC, Reg. S 1.625% 08/04/2042	EUR	300,000	231	0.42
Societe Du Grand Paris EPIC, Reg. S 3.5% 25/05/2043	EUR	200,000	203	0.37
Societe Du Grand Paris EPIC, Reg. S 1% 18/02/2070	EUR	100,000	45	0.08
			9,622	17.66
Germany				
Bundesobligation, Reg. S 0% 05/04/2024	EUR	554,000	549	1.01
Bundesobligation, Reg. S 0% 09/10/2026	EUR	5,686,000	5,367	9.85
Bundesrepublik Deutschland, Reg. S 1.75% 15/02/2024	EUR	2,009,000	2,005	3.68
Bundesrepublik Deutschland, Reg. S 0% 15/08/2031	EUR	1,000,000	866	1.59
Bundesrepublik Deutschland, Reg. S 2.3% 15/02/2033	EUR	1,632,000	1,674	3.07
Bundesrepublik Deutschland, Reg. S 1% 15/05/2038	EUR	619,000	527	0.97
Bundesrepublik Deutschland, Reg. S 4.75% 04/07/2040	EUR	158,000	212	0.39
Bundesrepublik Deutschland, Reg. S 3.25% 04/07/2042	EUR	539,000	616	1.13
Bundesrepublik Deutschland, Reg. S 0% 15/08/2050	EUR	400,000	224	0.41
Bundesrepublik Deutschland, Reg. S 1.8% 15/08/2053	EUR	673,000	609	1.12
Kreditanstalt fuer Wiederaufbau 0.25% 30/06/2025	EUR	653,000	629	1.15
Kreditanstalt fuer Wiederaufbau, Reg. S 0.5% 28/09/2026	EUR	720,000	684	1.26
Kreditanstalt fuer Wiederaufbau, Reg. S 0.01% 05/05/2027	EUR	1,007,000	931	1.71
Kreditanstalt fuer Wiederaufbau, Reg. S 0% 15/09/2028	EUR	880,000	787	1.44
Kreditanstalt fuer Wiederaufbau, Reg. S 3.25% 24/03/2031	EUR	1,000,000	1,052	1.93
Kreditanstalt fuer Wiederaufbau, Reg. S 2.75% 14/02/2033	EUR	658,000	669	1.23
Land Nordrhein-Westfalen, Reg. S 0.5% 11/03/2025	EUR	578,000	561	1.03
Land Nordrhein-Westfalen, Reg. S 2.25% 14/06/2052	EUR	392,000	334	0.61
Landwirtschaftliche Rentenbank, Reg. S 0% 30/06/2031	EUR	596,000	495	0.91
NRW Bank 0% 15/10/2029	EUR	179,000	155	0.28
NRW Bank 0% 18/02/2030	EUR	404,000	346	0.64
NRW Bank, Reg. S 0.875% 10/11/2025	EUR	296,000	286	0.52
NRW Bank, Reg. S 0.5% 13/09/2027	EUR	441,000	410	0.75
NRW Bank, Reg. S 0.25% 26/01/2032	EUR	402,000	334	0.61
NRW Bank, Reg. S 0.5% 17/06/2041	EUR	336,000	222	0.41
			20,544	37.70
Ireland				
Ireland Government Bond, Reg. S 0.2% 15/05/2027	EUR	289,000	271	0.50
Ireland Government Bond, Reg. S 1.1% 15/05/2029	EUR	400,000	379	0.69
Ireland Government Bond, Reg. S 0% 18/10/2031	EUR	144,000	121	0.22
Ireland Government Bond, Reg. S 1.7% 15/05/2037	EUR	144,000	128	0.24

Schedule of Investments (continued)

As at 31 December 2023

Investments	**Currency**	**Quantity/ Nominal Value**	**Market Value EUR' 000**	**% of Net Assets**
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
Ireland (continued)				
Ireland Government Bond, Reg. S 2% 18/02/2045	EUR	72,000	62	0.11
			961	1.76
Luxembourg				
State of the Grand-Duchy of Luxembourg, Reg. S 0.625% 01/02/2027	EUR	58,000	55	0.10
State of the Grand-Duchy of Luxembourg, Reg. S 0% 24/03/2031	EUR	186,000	157	0.29
			212	0.39
Netherlands				
BNG Bank NV, Reg. S 0.05% 13/07/2024	EUR	347,000	341	0.62
BNG Bank NV, Reg. S 0.2% 09/11/2024	EUR	185,000	180	0.33
BNG Bank NV, Reg. S 0.25% 12/01/2032	EUR	393,000	325	0.60
BNG Bank NV, Reg. S 0.01% 05/10/2032	EUR	719,000	571	1.05
BNG Bank NV, Reg. S 3% 11/01/2033	EUR	248,000	253	0.46
BNG Bank NV, Reg. S 0.125% 19/04/2033	EUR	185,000	146	0.27
Nederlandse Financierings-Maatschappij voor Ontwikkelingslanden NV, Reg. S 0.125% 03/04/2027	EUR	392,000	364	0.67
Nederlandse Waterschapsbank NV, Reg. S 1% 03/09/2025	EUR	169,000	164	0.30
Nederlandse Waterschapsbank NV, Reg. S 0% 08/09/2031	EUR	541,000	445	0.82
Nederlandse Waterschapsbank NV, Reg. S 3% 20/04/2033	EUR	347,000	357	0.66
Netherlands Government Bond, Reg. S, 144A 0.75% 15/07/2028	EUR	468,000	441	0.81
Netherlands Government Bond, Reg. S, 144A 0% 15/01/2029	EUR	700,000	630	1.15
Netherlands Government Bond, Reg. S, 144A 0.5% 15/07/2032	EUR	559,000	483	0.89
Netherlands Government Bond, Reg. S, 144A 2.5% 15/07/2033	EUR	199,000	202	0.37
Netherlands Government Bond, Reg. S, 144A 0% 15/01/2038	EUR	286,000	202	0.37
Netherlands Government Bond, Reg. S, 144A 0.5% 15/01/2040	EUR	1,907,000	1,414	2.59
Netherlands Government Bond, Reg. S, 144A 3.25% 15/01/2044	EUR	170,000	189	0.35
			6,707	12.31
Supranational				
Council of Europe Development Bank, Reg. S 0.125% 10/04/2024	EUR	289,000	286	0.52
Council of Europe Development Bank, Reg. S 0% 15/04/2028	EUR	503,000	454	0.83
European Bank for Reconstruction & Development 0% 10/01/2024	EUR	894,000	893	1.64
European Investment Bank 0.5% 13/11/2037	EUR	466,000	344	0.63
European Investment Bank, Reg. S 0.375% 15/05/2026	EUR	576,000	549	1.01
European Investment Bank, Reg. S 0% 15/11/2027	EUR	720,000	659	1.21
European Investment Bank, Reg. S 2.25% 15/03/2030	EUR	758,000	750	1.38
European Investment Bank, Reg. S 0.01% 15/11/2030	EUR	863,000	731	1.34
European Union, Reg. S 2.75% 04/02/2033	EUR	372,070	377	0.69
European Union, Reg. S 2.75% 04/12/2037	EUR	364,000	357	0.66
European Union, Reg. S 1.25% 04/02/2043	EUR	244,641	183	0.34
European Union, Reg. S 2.625% 04/02/2048	EUR	490,000	457	0.84
International Bank for Reconstruction & Development 0.625% 22/11/2027	EUR	593,000	555	1.02
Nordic Investment Bank, Reg. S 0.125% 10/06/2024	EUR	289,000	285	0.52
Nordic Investment Bank, Reg. S 0% 25/09/2026	EUR	214,000	200	0.37
Nordic Investment Bank, Reg. S 0% 30/04/2027	EUR	149,000	138	0.25
			7,218	13.25

Schedule of Investments (continued)

As at 31 December 2023

Investments	**Currency**	**Quantity/ Nominal Value**	**Market Value EUR' 000**	**% of Net Assets**
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Bonds (continued)				
Supranational (continued)				
Total Bonds			53,071	97.40
Total Transferable securities and money market instruments admitted to an official exchange listing			53,071	97.40
Total Investments			**53,071**	**97.40**
Cash			**1,515**	**2.78**
Other Assets/(Liabilities)			**(97)**	**(0.18)**
Total Net Assets			**54,489**	**100.00**

Financial Futures Contracts

Security Description	**Number of Contracts**	**Currency**	**Unrealised Gain/(Loss) EUR' 000**	**% of Net Assets**
Euro-Bobl, 07/03/2024	86	EUR	108	0.20
Euro-Buxl 30 Year Bond, 07/03/2024	4	EUR	39	0.07
Euro-Schatz, 07/03/2024	50	EUR	24	0.04
Total Unrealised Gain on Financial Futures Contracts - Assets			**171**	**0.31**
Euro-Bund, 07/03/2024	(35)	EUR	(106)	(0.19)
Total Unrealised Loss on Financial Futures Contracts - Liabilities			**(106)**	**(0.19)**
Net Unrealised Gain on Financial Futures Contracts - Assets			**65**	**0.12**

Rotterdam, 25 April 2024

The Manager
Robeco Institutional Asset Management B.V.

Daily policymakers RIAM:
K. (Karin) van Baardwijk
M.D. (Malick) Badjie
I.R.M. (Ivo) Frielink
M.C.W. (Mark) den Hollander
M.F. (Mark) van der Kroft
M. (Marcel) Prins

Other information

Provisions regarding appropriation of the result

In accordance with article 16 of the Terms and Conditions for Management and Custody, the Fund does not distribute dividend.

Independent auditor's report

To: the General Meeting and the manager of Robeco Institutional Sustainable Core Euro Bond Fund

Report on the audit of the accompanying financial statements

Our opinion

We have audited the financial statements 2023 of Robeco Institutional Sustainable Core Euro Bond Fund ('the Fund'), based in Rotterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Robeco Institutional Sustainable Core Euro Bond Fund as at 31 December 2023, and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1 the balance sheet as at 31 December 2023;

2 the profit and loss account for 2023; 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 Institutional Sustainable Core Euro Bond Fund 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 the chapter Risk Management of the report by the manager, the manager 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 Fund and its business environment, and assessed the design and implementation of the Fund's risk management in relation to fraud and non-compliance. Our procedures included, among other things, assessing the Fund'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, Legal and Compliance. As part of our audit procedures, we:

— obtained an understanding of how the Fund uses information technology (IT) and the impact of IT on the financial statements, including the potential for cybersecurity incidents to have a material impact on the financial statements;

— assessed other positions held by management board members and/or other employees and paid special attention to procedures and governance/compliance in view of possible conflicts of interest;

— evaluated investigation reports on indications of possible fraud and non-compliance, if any;

— evaluated correspondence with supervisory authorities and regulators.

In addition, we performed procedures to obtain an understanding of the legal and regulatory frameworks that are applicable to the Fund and identified the following areas as those most likely to have a material effect on the financial statements:

— 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).

We evaluated the fraud and non-compliance risk factors to consider whether those factors indicate a risk of material misstatement in the financial statements.

We rebutted the presumed fraud risk on revenue recognition as the Fund invests in listed securities on regulated markets and/or frequently traded fund certificates and has involvement of third parties in the dividend and/or interest income transactions like the custodian and the depositary.

Based on the above and on the auditing standards, we identified the following fraud risk that is 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.

Responses:

- We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls that mitigate fraud and non-compliance risks, such as processes related to journal entries and estimates.
- We performed a data analysis of high-risk journal entries related to manual post-closing entries and evaluated key estimates and judgments for bias by the Fund's management. 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.
- We incorporated an element of unpredictability in our audit by performing an online search for news about the Fund and the manager of the Fund to identify information that is relevant for the audit of the Fund with respect to management override of controls.

We communicated our risk assessment, audit responses and results to management.

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

Since the risks and rewards from (re)valuations of the investment portfolio are borne by the participants in the Fund and the extent of any present and future obligations to third parties is such that these do not affect the Fund's going concern, the manager of the Fund has assessed that no going concern risks exist for the activities of the Fund. As such 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 annual report

In addition to the financial statements and our auditor's report thereon, the 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 the information as required by Part 9 of Book 2 of the Dutch Civil Code regarding the management report and the other information.

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 manager 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 pursuant to Part 9 of Book 2 of the Dutch Civil Code.

Description of the responsibilities for the financial statements

Responsibilities of the manager for the financial statements

The manager is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the manager is responsible for such internal control as the manager determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to errors or fraud.

As part of the preparation of the financial statements, the manager is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the manager should prepare the financial statements using the going concern basis of accounting unless the manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so. The manager 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.

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 Fund's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the manager;
- 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 Fund'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 communicate with the manager 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.

Rotterdam, 25 April 2024

KPMG Accountants N.V.

S. van Oostenbrugge RA

ANNEX IV

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: Robeco Institutional Sustainable Core Euro Bonds Fund
Legal entity identifier: 213800GE6MND1GC4NG56

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective:** ___%	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 50.6% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☒ with a social objective
☐ It made **sustainable investments with a social objective:** ___%	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund promotes the following Environmental and Social characteristics:

1. The sub-fund's portfolio complied with Robeco's Exclusion Policy that is based on exclusion criteria that Robeco believes are detrimental to society and incompatible with sustainable investment strategies. Robeco deems investing in government bonds (federal or local) of countries where serious violations of human rights or a collapse of the governance structure take place as unsustainable. In addition, Robeco will follow applicable sanctions of the UN, EU or US to which it is subject and follows any mandatory (investment) restrictions deriving therefrom. This means that the Sub-fund has no exposure to excluded securities, taking into account a grace period.
2. The sub-fund excluded sovereign bonds issued by the bottom 15% of the WGI Control of Corruption ranking.
3. The sub-fund invested a minimum of 20% in green, social, sustainable, and/or sustainability-linked bonds.
4. The sub-fund's portfolio had a minimum weighted average score of at least 7 on Robeco's Country Sustainability Ranking.

Sustainability disclosures (unaudited)

How did the sustainability indicators perform?

The sustainability indicators used to measure the attainment of each of the environmental or social characteristics promoted by this financial product performed as follows. All values are based on the positions and available data as at 31 December 2023.

1. The portfolio contained no investments that are on the Exclusion list as result of the application of the applicable exclusion policy.
2. The Sub-fund excluded sovereign bonds issued by the bottom 15% of the WGI Control of Corruption ranking.
3. The sub-fund invested 52.87% of its assets In green, social, sustainable and/or sustainability-linked bonds.
4. The sub-fund's portfolio had a minimum weighted average score of 8.21 on Robeco's Country Sustainability Ranking.

…and compared to previous periods?

Sustainability indicator	2023	2022
Investments on exclusion list	0.00%	0.00%
Exclusion of bottom 15% sovereign bonds of the WGI Control of Corruption ranking	15%	15%
Investments in green, social, sustainable and/or sustainability-linked bonds	52.87%	54.1%
Weighted average Country Sustainability Ranking	8.21	8.20

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Robeco uses its proprietary SDG framework to determine if an investment qualifies as sustainable investment. Robeco's SDG Framework is a tool that systematically assesses individual companies on key SDG targets and sector-specific indicators which help analysts determine a company's SDG contributions. These contributions aggregate into an overall SDG company score. The resulting scores are used to help construct portfolios that pursue positive impact, avoid negative impact, and support sustainable progress in the economy, society and the natural environment. Positive scores imply that the investment do not significant harm any of the UN Sustainable Development goals.

The sustainable investments contributed to any or more of the UN Sustainable Development Goals, which include both social and environmental objectives. Robeco used its proprietary SDG Framework to assess which investments constitute a sustainable investment as referred to in art 2(17) SFDR. Under the SDG Framework, "SDG scores" are calculated for each investment. Investments having positive SDG scores (+1, +2, +3) are deemed to contribute to the UN SDGs.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Alignment with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact (PAI) are considered in the calculation of SDG scores under Robeco's proprietary SDG Framework. Violations with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and Principal Adverse Impact lead to a negative SDG score. Only investments with a positive SDG score can be classified as sustainable investment, indicating that such investments did no significant harm to any environmental or social sustainable investment objective. Minus scores show harm. Scores of -2 of -3 may even cause significant harm.

Sustainability disclosures (unaudited)

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

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

The fund considered principal adverse impacts of its investment decisions on sustainability factors as part of its investment due diligence process and procedures. For sustainable investments this meant ensuring that the investments do no significant harm to any environmental or social objective. Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

The following PAIs were consired in the fund:

- PAI 15, table 1 regarding green house gas intensity was considered via engagement. Robeco monitors a set of country data on climate performance. These include GHG intensity (such as $CO2/GDP$), CO2 per capita data, emission trends and policy metrics. This dataset has been incorporated in the Country Sustainability Ranking, which is used for the fundamental analysis of government bonds.
- PAI 16, table 1 regarding investee countires subject to social violations was considered via exclusions. The PRS political risk data, used for the measurement of this indicator, are an important component of Robeco's Country Sustainability Ranking. The PRS internal conflict score is used as an instrument to detect countries that run the risk of getting involved in serious internal conflict. The PRS metric is based on three components: civil disorder, terrorism, and civil war.
- PAI 17, table 2 regarding the share of securities not issued under Union legislation on environmentally sustainable bonds was considered via targets in relation to investments in green, social, sustainable and sustainable linked bonds.
- PAI 21, table 3 regarding the average cooruption score was considered by setting targets on the country sustainability ranking (CSR).

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The sustainable investments were aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework. Robeco's SDG Framework screens for breaches on these principles in the final step of the framework. In this step, Robeco checks whether the company concerned has been involved in any controversies. Involvement in any controversy will result in a negative SDG score for the company, meaning it is not a sustainable investment.

Robeco's Exclusion Policy includes an explanation of how Robeco acts in accordance with the International Labor Organization (ILO) standards, United Nations Guiding Principles (UNGPs), United Nations Global Compact (UNGC) Principles and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and is guided by these international treaties to assess the behaviour of companies. Robeco continuously screens its investments for breaches of these principles. In the reported year, there have been no breaches.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

How did this financial product consider principal adverse impacts on sustainability factors?

PAI were considered both pre-investment (through exclusions and through integration in the investment due diligence) and post-investments (through engagement). All values are based on the average positions over the reporting period.

Pre-investment, the following principal adverse impacts on sustainability factors were considered:

- The Green House Gas intensity of investee countries was 154 tons per EUR million GDP, compared to 145 tons for the benchmark
- The number of investee countries subject to social violations (absolute number and relative number divided by all investee countries), as referred to in international treaties and conventions, United Nations principles and, where applicable, national law was 0.00, compared to 0.00 for the benchmark
- The share of securities in investments not issued under Union legislation on environmentally sustainable bonds was 70.58%, compared to 97.02% for the benchmark

Post-investment, the following principal adverse impacts on sustainability factors were taken into account:

- The Green House Gas intensity of investee countries was 154 tons per EUR million GDP, compared to 145 tons for the benchmark

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is: 1 January 2023 through 31 December 2023

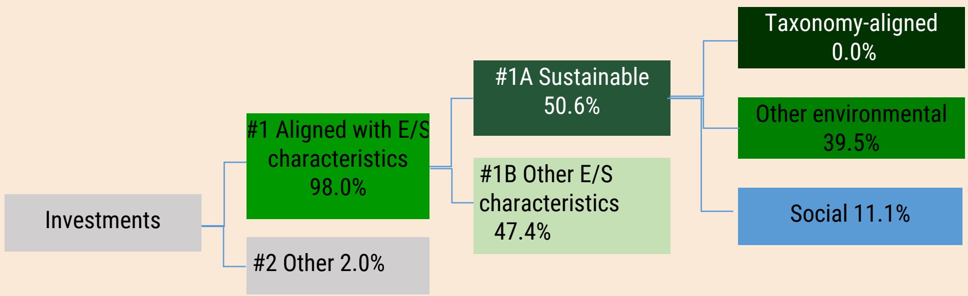
Largest investment	Sector	% Assets	Country
French Republic Government Bond OAT	Treasuries	9.79%	France
Bundesobligation	Treasuries	10.46%	Germany
Kingdom of Belgium Government Bond	Treasuries	7.82%	Belgium
Republic of Austria Government Bond	Treasuries	6.45%	Austria
Kreditanstalt fuer Wiederaufbau	Government Guarantee	8.02%	Germany
Netherlands Government Bond	Treasuries	6.28%	Netherlands
European Investment Bank	Supranational	6.02%	European Union
BNG Bank NV	Owned No Guarantee	3.85%	Netherlands
Bundesrepublik Deutschland Bundesanleihe	Treasuries	6.68%	Germany
NRW Bank	Local Authorities	3.48%	Germany
Finland Government Bond	Treasuries	2.82%	Finland
State of North Rhine-Westphalia Germany	Local Authorities	2.50%	Germany
SNCF Reseau	Owned No Guarantee	2.51%	France
Agence Francaise de Developpement EPIC	Owned No Guarantee	2.62%	France
Landwirtschaftliche Rentenbank	Government Guarantee	1.76%	Germany

What was the proportion of sustainability-related investments?

98.0%

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:
- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	Average exposure in % over the reporting period
Sectors deriving revenues from exploration, mining, extraction, production, processing, storage, refining or distribution, including transportation, storage and trade, of fossil fuels -	
Not applicable	0.00%
Other sectors	
Treasuries	52.97%
Owned No Guarantee	14.06%
Supranational	13.66%
Government Guarantee	10.45%
Local Authorities	6.86%
Cash and other instruments	1.99%

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies.
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

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

0.0%.

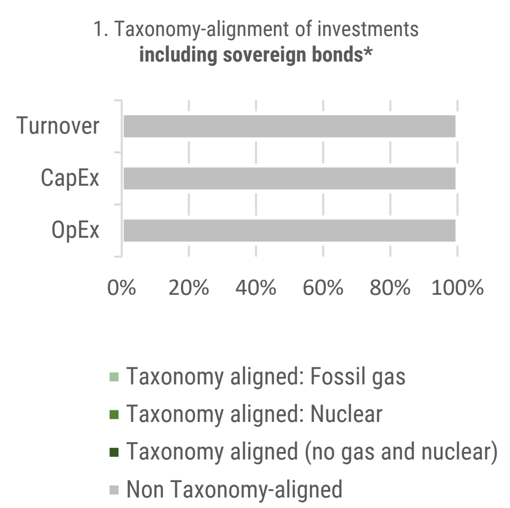
Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy [1]?

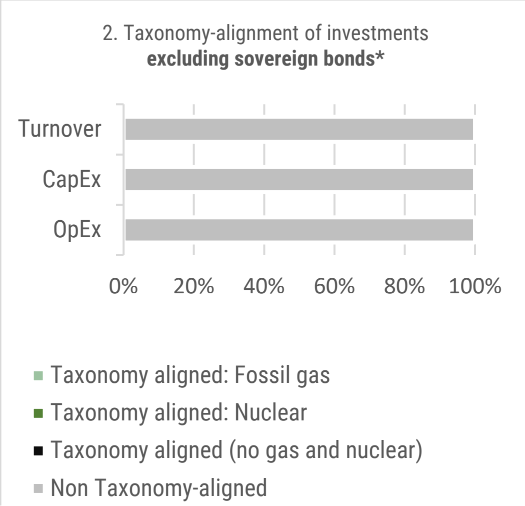
☐ Yes:

☐ In fossil gas ☐ In nuclear energy

☒ No

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





This graph represents 100 % of the total investments.

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

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

- ***What was the share of investments made in transitional and enabling activities?***

  0%.

- ***How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?***

  The percentage Taxonomy Alignment in portfolio did not change during the reporting period.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

39.5%. This concerns investments with a positive score on one of more of the following SDG's, without harming other SDG's: SDG 12 (responsible consumption and prodcution), 13 (climate action), 14 (life below water) or 15 (life on land).

What was the share of socially sustainable investments?

11.1%. This concerns investments with a positive score on one of more of the following SDGs, without harming other SDGs: SDG 1 (No poverty), 2 (zero hunger), 3 (good health and well-being), 4 (qulity education), 5 (gender equality), 6 (clean water and sanitation), 7 (affordable and clean energy), 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 11 (sustainable cities and communities), 16 (peace justice and strong insttutions) or 17 (partnerships for the goals).

What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

Amongst others, the use of cash, cash equivalents and derivatives is included under "#2 Other". The fund may make use of derivatives for hedging, liquidity and efficient portfolio management as well as investment purposes (in line with the investment policy). Any derivatives in the fund were not used to attain environmental or social characteristics promoted by the financial product.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

During the reporting period, the overall sustainability profile of the sub-fund was improved further by focusing on material information with regards to Environmental, Social and Governance factors. Furthermore, over 50% of the assests were invested in green, social, sustainable and/or sustainability linked bonds.