

# Robeco - SDG Credit Income Fund (AUD Hedged)

Ethical Survey, as voted by members of the Ethical Advisers Co-Op



Poor | Disappointing | Average | Appealing | Excellent

As voted by Ethical Adviser Co-op members. Find a specialised ethical adviser near you: [www.ethicaladviserscoop.org/find-an-adviser.html](http://www.ethicaladviserscoop.org/find-an-adviser.html)

## Fund Overview

This is an actively managed, global fixed-income fund. Robeco adopt a predominantly [positive screening process](#) which selects issuers that contribute to realising the UN Sustainable Development Goals (SDGs), while excluding companies that contribute negatively to these goals.

## Ethical Concerns

### Investments

- ✘ Some investments in the Fund may be problematic for ethical investors, such as:
  - Fossil-fuel intensive industries: Primarily LNG related – Cheniere, Enn Energy, Woodside, Sabine Pass LNG Terminal.
  - Metals & mining exposures: Fortescue Metals, NOVO Steel, ArcelorMittal
  - Other holdings with ethical concerns (i.e. fossil fuel lending): HSBC, Nova Scotia Bank, Banco Bilbao, Lloyds, Banco de Sabadell, etc.
  - HSBC linked with ongoing professional money laundering investigations

## Good Points

- ✓ Clear [exclusion policy](#) which screens out controversial behaviours, controversial weapons, tobacco, palm oil, fossil fuels (thermal coal, oil sands, arctic drilling), sovereign debt, military contracting, firearms, nuclear power, alcohol, gambling, adult entertainment & cannabis.
- ✓ The Fund's investment choices typically demonstrate a clear connection with thirteen of the UN Sustainable Development Goals.
- ✓ Good commitment to transparency by being [UNPRI](#) signatory and [RIAA](#) certified.
- ✓ Full disclosure of holdings available upon request and work in progress to provide this disclosure on public website for ongoing transparency.
- ✓ Energy (LNG) exposures within the strategy are within the 'transition fuel' context of [SDG 7: Ensure access to affordable, reliable, sustainable, and modern energy for all](#).
- ✓ Clear and transparent investment policies and processes on reporting and disclosure.
- ✓ Active ownership approach (engagement & voting) across credit and equity strategies within Robeco. Detailed and considered [voting disclosure](#) provided online.

## About the 'Ethical Survey'

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### About the Ethical Advisers Co-Op

The Ethical Advisers Co-op is a group of 35 financial advisers who are passionate about ethics and finance. The Co-op was established as a not-for-profit over 10 years ago to enable likeminded financial advisers to work together to represent the voice of the consumer. We work to shift the super and investment industry into being more ethically aligned with their clients' objectives. The Co-op's nationwide membership of ethical financial advisers help over 3,300 Australians make financial decisions and invest in line with their ethical values.

### How the Leaf-System Works

The ethical rating is voted by Australian financial advisers who specialise in ethical investments (Co-op members). The advisers assess if fund ethics suit their average ethical client, and if it matches with the average client's expectations and objectives. The advisers consider how successful the fund is at; 1) removing industries and stocks harmful to the environment and society 2) including companies with environmental or social benefits, and 3) providing evidence of actions from the fund which benefit society and/or the environment. The quality of information the fund provides on its ethical policies, companies invested in, and proxy voting is important in assessing if a fund is as ethical as claimed. The final rating is an average of these votes.

Financial advisers are voluntarily participating to help ethical consumers gain a quick understanding of how the clients of a group of industry professionals view the ethics of each fund. The Co-op and the advisers do not receive any form of remuneration or reward for participating.

### Further Research

#### *Does your fund walk the talk?*

The Australasian Centre for Corporate Responsibility (ACCR) – a not-for-profit shareholder advocacy organisation – pushes for transparency around whether your super fund 'walks the talk' on issues such as climate and human rights. They published a detailed report looking at the voting records of major Super funds in June 2020. You may find information relating to your super fund [here](#) (see page 18 & 19).

#### *Is your fund investing in fossil fuels?*

Market Forces is a not-for-profit delivering transparency on fossil fuel lending, insuring and investing within super funds, banks and insurance companies. You can see how exposed your super fund, bank or insurance company is to the fossil fuel industry [here](#).

#### *If the fund is certified by the Responsible Investment Association Australasia (RIAA)*

You can find more ethical and investment information for certified funds [here](#).

#### *More information on this fund*

For exact details of the fund's claimed ethics, costs and legal details see the fund's Product Disclosure Statement - available on their website.

*Vote based on information last updated 1<sup>st</sup> August 2021*