



Robeco Institutional Asset  
Management B.V.

2023

**Interim financial statements**

For the six-month period ended 30 June 2023

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## General information

### Management Board ('MB')

K. (Karin) van Baardwijk (Chief Executive Officer)  
M.C.W. (Mark) den Hollander (Chief Financial & Risk Officer)  
M. (Marcel) Prins (Chief Operating Officer)

### Executive Committee ('ExCo')

K. (Karin) van Baardwijk  
I.R.M. (Ivo) Frielink  
M.C.W. (Mark) den Hollander  
M.F. (Mark) van der Kroft  
A. (Alexander) Preiningner  
M. (Marcel) Prins  
V. (Victor) Verberk (until 22 May 2023)

### Supervisory Board

M.F. (Maarten) Slendebroek (Chair)  
S. (Sonja) Barendregt – Roojers (Vice-Chair)  
S.H. (Stanley) Koyanagi  
M.A.A.C. (Mark) Talbot  
R.R.L. (Radboud) Vlaar

More information can be found on the website [www.robeco.com](http://www.robeco.com).

### Address

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Rotterdam Chamber of Commerce number 24123167

## Report of the Management Board

We are pleased to present the interim financial statements of Robeco Institutional Asset Management B.V. (also referred to as 'Robeco', 'RIAM' or 'the Company') for the first half-year 2023 along with the report of the Management Board.

Established in Rotterdam in 1929, Robeco offers investment management and advisory services to institutional and private investors and manages UCITS<sup>1</sup> and alternative investment funds. As such, Robeco acts as the manager of investment funds in the Netherlands, Luxembourg, and France (and as director in case the funds are in the form of Dutch legal entities). It also operated as the direct distribution channel in the Dutch retail market for Robeco funds until 30 June 2023. On 1 July 2023, Robeco completed the transfer of its online retail distribution platform for investment services (refer to Significant events below for more information).

Robeco has both an AIFMD license as referred to in Article 2:65 of the Dutch Financial Supervision Act (Wet financieel toezicht, "Wft") and a license to act as manager of UCITS as referred to in Article 2:69b of the Wft, and to offer the additional services within the meaning of Article 2:97(3). Total client assets<sup>2</sup> (assets managed, sub-advised or distributed by Robeco) amounted to approximately EUR 180.8 billion as of 30 June 2023 (EUR 171.1 billion on 31 December 2022).

### Corporate governance

Robeco has a two-tier board that consists of a Management Board and a Supervisory Board. In addition, an Executive Committee ("ExCo") is in place to assist the Management Board in the exercise of its duties and responsibilities, and to perform the day-to-day management of Robeco together with the Management Board.

The governance principles of Robeco and its corporate bodies are laid down in its Articles of Association, Supervisory Board Rules of Procedure, Management Board and Executive Committee Rules of Procedure, in the Charters of the Supervisory Board committees and in the Charters of the ExCo Committees.

#### *Management Board*

The Management Board is Robeco's statutory managing board and is entrusted with the management of Robeco. The Management Board is ultimately responsible for setting the strategy, objectives, and overall direction. It is also responsible for overseeing and monitoring management decision-making. The Management Board directs Robeco. The members of the Management Board are appointed by Robeco's General Meeting. The Supervisory Board, advised by the Nomination & Remuneration Committee, must be consulted on an intended appointment, which is subject to the prior approval of the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, "AFM"). Finally, the Works Council provides its advice on the appointment of members of the Management Board.

#### *Executive Committee*

Robeco's Articles of Association provide that the Management Board may establish an Executive Committee, consisting of all Management Board members and one or more other members to support the Management Board in performing its tasks ("Senior Executives").

Senior Executives are appointed, dismissed, and suspended by the Management Board at the proposal of the CEO. The Supervisory Board, advised by the Nomination & Remuneration Committee, approves such appointment, dismissal, or suspension. The appointment of Senior Executives also needs prior approval from the AFM, because ExCo members are considered to be daily policy makers of Robeco.

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<sup>1</sup> Undertaking for Collective Investment in Transferable Securities

<sup>2</sup> Related to all Robeco entities.

The ExCo has five sub-committees that assist the ExCo in decision making and/or have delegated authority to decide on matters:

- the Enterprise Risk Management Committee;
- the Sustainability and Impact Strategy Committee;
- the Product Approval Committee;
- the Pricing Committee; and
- the Customer Committee.

The section "Risk Management" in the annual report for the year ended 31 December 2022 of the Company describes the tasks and responsibilities of the abovementioned Executive Committee sub-committees.

#### *Supervisory Board*

The Supervisory Board is responsible for supervising the duties with respect to the general affairs of Robeco and its business as executed by the Management Board and the ExCo. The Supervisory Board advises both the Management Board and the ExCo, taking into account the dynamics and the relationship between the ExCo and the Management Board and their members while preserving the respective statutory tasks and responsibilities in compliance with applicable law and regulations, as well as Robeco's corporate constituent documents. In carrying out its duties, the Supervisory Board is guided by the interests of Robeco, its group companies and their connected businesses. The Supervisory Board takes the interests of all relevant stakeholders into account.

The Supervisory Board has two sub-committees: the Audit & Risk Committee and the Nomination & Remuneration Committee. The tasks and responsibilities of the committees are laid down in their respective rules of procedure. The role of the committees is to advise and prepare decisions to be taken by the Supervisory Board and carry out responsibilities that are delegated to them by the Supervisory Board.

Please refer to the sections 'Corporate Governance' and 'Risk Management' in the Report of the Management Board in the 2022 financial statements for a description of the abovementioned Executive Committee and Supervisory sub-committees and for more information on Robeco's corporate governance.

### **Audit and risk management**

The 2023 interim financial statements of the Company have not been audited or partially assessed by the external auditor. We refer to the Report of the Management Board in the 2022 financial statements for the section Risk management. This is unchanged for the first half-year of 2023.

### **Corporate structure**

Robeco Holding B.V. holds 100% of the shares of Robeco Institutional Asset Management B.V. and also holds 100% of the shares in Robeco Nederland B.V., the Dutch central service company of Robeco and other operating entities that are part of the Robeco group.

Robeco Nederland B.V. is the formal employer of almost all of Robeco's staff based in the Netherlands, who are provided to Robeco by Robeco Nederland B.V. on the basis of an intercompany service agreement.

ORIX Corporation ("ORIX") in Japan is the sole shareholder of ORIX Corporation Europe N.V. ("OCE"), the domestic parent company of Robeco Holding B.V.

### **Strategy**

In 2023 Robeco continued to focus on executing its strategy for the period 2021-2025. It is Robeco's mission to enable clients to achieve their financial and sustainability goals by providing superior investment returns and solutions. We are convinced that a sustainable business is more future proof.

Safeguarding economic, environmental, and social assets is a prerequisite for a healthy economy and the generation of attractive returns in the future. Therefore, the investment industry's focus is further shifting from solely creating wealth to creating wealth and well-being.

Robeco aims to create wealth and well-being, by generating return on investment for our clients which contributes to economic stability, allowing them to grow, create jobs and fund pension payments. At the same time, by looking carefully at what we invest in, we want to contribute to solving problems of our time such as climate change, loss of biodiversity and the lack of social equality. Our values: client-centric, innovative, sustainable, and connecting, are at the center of this approach.

Our strategy focuses on expanding our leadership position in sustainable investing (SI), grow profitably and be an employer of choice. We build on our five key strengths: Sustainability, Quant, Credits, Thematic and Emerging markets. Morningstar considers Robeco to be one of eight leaders in sustainable investing and we want to stay a leader<sup>3</sup>.

Executing our strategy, we make sure Robeco as an asset manager has relevance in the future and is able to adapt to the fast-changing world around us, responding to the changing demands of clients, as well as the increasing impact of regulatory requirements. We foster changes within the industry, such as the digital transition and the use of alternative data, machine learning and generative Artificial Intelligence. We promote Diversity of thinking with the aim to push innovation, solve the problems of the future and at the same time create value for our clients.

## Sustainable investing and corporate responsibility

Sustainability has been an integral part of Robeco's overall strategy for many years. We are convinced that integrating sustainability leads to better-informed investment decisions and enhanced risk-adjusted returns. We want to actively contribute to the transformation to a sustainable world, by setting industry standards and promoting openness and transparency about sustainable investing.

We also believe that exercising our voting rights and engaging with the companies in which we invest will have a positive impact on both our investment results and on society. In 2021, Robeco issued its roadmap to net zero emissions by 2050, reducing the carbon footprint of our investments and operations by an average of 7% year on year.

As part of our sustainable investing approach, Robeco values the Sustainable Development Goals (SDGs), and we are convinced that we can create social, economic, and environmental benefits in addition to competitive financial returns. We continue to enhance our own SDG Framework which enables us to assess to what extent a company has a positive or negative impact on the goals, thus informing our investment decisions.

With the aim to contribute to setting industry standards by promoting openness and transparency. Robeco launched the Sustainable Investing Open Access Initiative in August 2022, providing clients and academics free access to SDG scores of companies compiled by Robeco. The initiative was well received. Many academics have indicated that they want to use Robeco's SDG scores in their teaching and research. The aim is to improve data quality and jointly work towards defining industry standards.

In May 2023, we added more SI data sets (such as country sustainability rankings) and provided more features. We are looking at SI partnerships and becoming even more open and transparent. At Robeco this is in our DNA, and we will continue to strive to improve our sustainability credentials through giving evidence to clients and regulators.

Robeco has an exclusion policy in place for companies involved in the production of, or trade in, controversial weapons such as cluster munition and anti-personnel mines, along with tobacco, controversial behaviour in relation to the production of palm oil and companies that structurally and severely breach the United Nations Global Compact (UNGC) governance framework and/or the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. Robeco's fossil fuel exclusion policy excludes companies involved in thermal coal, Arctic drilling, and oil sands, subject to certain revenue thresholds. New coal power plants are also part of the exclusion policy<sup>4</sup>.

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<sup>3</sup> <https://www.morningstar.com/sustainable-investing/how-devoted-is-your-fund-manager-sustainable-investing>

<sup>4</sup> <https://www.robeco.com/files/docm/docu-exclusion-policy.pdf>

Please refer to the Report of the Management Board in our 2022 financial statements and Robeco Holding's Sustainability Report 2022 for more information on sustainable investing, strategy, product development, employees, and remuneration policy.

## Significant events

On 1 July 2023, Robeco celebrated that it became part of ORIX 10 years ago. ORIX established a clear governance and financial parameters but has left business strategy and execution in the hands of Robeco leadership. This has created a strong relationship, based on trust and transparency. Robeco is very proud that it has been able to contribute to ORIX and has grown significantly since the acquisition.

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 transfer 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 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 joined Van Lanschot Kempen as of 1 July 2023. Robeco Retail vendor contracts were also transferred. Impact on Robeco's assets under management and operating result is limited. The transfer will result in a one-off gain to be accounted for by Robeco as per 1 July 2023.

Victor Verberk left Robeco on 22 May 2023. We thank him for his commitment and contribution to Robeco. The management teams of the different investment capabilities are highly experienced and well positioned to successfully continue our investment management activities and services to our clients. As a result, Robeco transferred from a co-CIO set up to a single CIO position. Mark van der Kroft as Chief Investment Officer holds responsibilities for the entire investments domain.

The Robeco UK office, based in London, opened seven years ago as a branch office and has grown rapidly. We will transition the UK office from a Robeco branch to a stand-alone entity and talent hub. We aim to obtain a full investment license enabling regulated investment activities by the UK office, which is a set-up similar as already in place in Hong Kong and Zurich.

In 2023 a new Employee Resource Group (ERG) started named "EDGE". This ERG is focused on Encouraging Diversity Growth & Equity (EDGE). Within EDGE, a dedicated group of international colleagues will promote a diverse, inclusive, and equitable work environment that respects and values the unique backgrounds, cultures, and ethnicities of our employees.

In 2023, Robeco received numerous awards by external parties highlighting and recognizing the achievements by various teams across Robeco as part of our strategic progress. Morningstar awarded Robeco 'Best Asset Manager - Sustainable Investing' in Luxembourg, Belgium, Italy, UK, the Netherlands, and Taiwan and 'Best Asset Manager' in Belgium and Luxembourg. In Sweden, Soderberg & Partners awarded Robeco with their annual 'ESG manager' of the year. Robeco won the 'Emerging Markets Manager of the Year' award at this year's UK Pensions Awards. Earlier this year, Robeco Japan won the Bronze Prize in the fourth 'ESG Finance Awards Japan - Investor Category - Asset Manager Sub-category' by Japan's Ministry of the Environment.

## Financial results, investment performance & result for the six-month period ended 30 June 2023

The operating result over the reporting period decreased from EUR 66.8 million in the first half-year of 2022 to EUR 29.9 million in the first half of 2023. Against the backdrop of a turbulent period with major geopolitical developments and large macro-economic impact, such as the war in Ukraine, food and energy supply shortages and a sharp rise in inflation, financial markets declined during the first six months of 2022, and have not fully recovered to the level of early 2022 since.

Total client assets (assets managed, sub-advised or distributed by the Company) amounted to EUR 180.8 billion as of 30 June 2023<sup>5</sup> (EUR 171.1 billion as of 31 December 2022). The net client flows were break-even in the first six months of 2023, the increase of client assets in the first six months of 2023 mainly relate to market appreciation.

The Company's half-year 2023 gross margin over the reporting period was EUR 216.6 million, EUR 24.1 million (10%) lower than in the first half-year of 2022. This decline was a result of a 9% decrease of average Assets under Management during the first half-year of 2023 compared to the same period in 2022.

Administrative expenses increased from EUR 131.9 million in the first half-year of 2022 to EUR 146.7 million in the first half-year of 2023 due to (amongst others) higher employee benefit costs, higher temporary staff cost, and higher IT costs recharged by Robeco Nederland and increased (employee) recharges from other Robeco entities. The increase of administrative expenses is due to initiatives related to the Company's strategic ambitions and targeted business growth.

The tax expense in the first half of 2023 was EUR 9.5 million (first half 2022: EUR 18.3 million). The Dutch statutory tax rate in half-year 2023 was 25.8% (half-year 2022: 25.8%). In 2023, the effective tax rate was 30.0% (2022: 27.6%). The increase of the effective tax rate and difference with the statutory tax rate are mainly caused by prior year adjustments and non-deductible costs.

Management considers the financial position of the Company to be sound. We remain well positioned to benefit from the long-term growth trends in our markets and to meet our targets going forward. During the financial period a dividend of EUR 88.0 million was distributed. Following the net result half-year 2023 of EUR 22.2 million and the dividend distribution, equity decreased with EUR 65.8 million to an amount of EUR 162.8 million

(31 December 2022: EUR 228.6 million). The available cash position at the end of the period is EUR 92.0 million.

RIAM submits FINREP, MESRAP and IF reports to the Dutch Central Bank (De Nederlandsche Bank, 'DNB') on a quarterly basis. The most recent reporting relates to 30 June 2023. All capital and liquidity requirements were met on the reporting dates and are met continuously.

## Financial market environment

The first half of 2023 saw a continued late cycle expansion in economic activity in the US, UK, and Japan, while the Euro area entered a technical recession, led by Germany. Leading macro-indicators like the inverted yield curve and producer confidence surveys in the manufacturing sector had been flagging a looming slowdown phase of the business cycle in the G7 economies before the start of 2023. Yet year to date, developed economies economic growth proved far more resilient compared to prior consensus expectations, sustained by a continued expansion in global services activity, notably healthcare and air transportation. Especially Japan enjoyed a strong first half with the July leading Tankan indicator for large enterprises in the services sector indicating further expansion. Also, the European continent weathered the winter better than expected despite being largely cut-off from Russian gas resulting in elevated energy prices. Overall, rising geopolitical tensions in an increasingly multipolar world have elevated economic policy uncertainty and macro-economic volatility. The tightening cycle in developed economies is maturing with policy rates up by 4% since early 2022. The failure and rescue in March 2023 of three US small to midsized banks showed that the ongoing central bank monetary tightening cycle has started to bite. Yet, G7 labor markets remain tight, allowing a pass-through of past inflation into higher wages. Western economies still struggle with sticky core inflation of about 5%, with central banks signaling further policy tightening.

China's economic growth performance proved lackluster with persistent housing market weakness undermining consumer sentiment. China is experiencing a different macro cycle compared to G7 members as CPI inflation fell to 0.0% (y-o-y) in June. While China has eased monetary policy, leading to a stronger credit impulse, the effectiveness of additional stimulus so far has been below the historical track record.

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<sup>5</sup> Related to all Robeco entities.



## Outlook for the equity markets

The MSCI World in local currency rose 15.1% in the first half of 2023. This is about twice the long run average annual equity calendar return investors have been enjoying over the past century. After a dismal 2022, where equity markets traded down driven by higher discount rates, markets so far have been able to ignore the further rise in interest rates. The promise of generative AI created a powerful cashflow positive narrative that skyrocketed index heavyweights, like Microsoft and Alphabet. Current equity market performance portrays a very narrow market breadth. Whereas large technology companies in the S&P500 were up more than 50% year to date by the end of June, the S&P500 index ex-big tech companies saw just 8% return year to date.

Looking ahead, the second half of 2023 could see a much more challenging environment for equity returns. The current market bifurcation bears some similarities with the heydays of the IT bubble. Investor's initial concerns about rising interest rates and recession fears have so far shown premature. Yet, the odds of a broadening of equity market performance in this late cycle environment look uneven as the impact of the 2022 aggressive policy tightening will increasingly transpire into real activity. Monetary policy works with long and variable lags, and it is far from certain that technology stocks will defy the gravitational pull from higher real rates well into 2024, especially if the pace of cross-sectoral AI adoption were to prove disappointing.

## Bond markets outlook

Global government bond markets delivered positive returns in the first half of 2023 with 1.68% in euro (hedged). Headline inflation has continued its descent since the last quarter of 2022 across both developed and emerging markets. Still, it is hard to argue that they are winning the battle against inflation decisively. Lower food and energy commodity prices as well as disinflation in producer goods prices all point to further disinflation falls over the coming six months. But core services inflation seems poised to remain sticky over the near term, where earlier rises in inflation are still spilling over into wages. As a result, global central banks want to err on the side of caution and prefer to continue to tighten policy further against all expectations. The extended tightening cycles of global central banks have resulted in a repricing of rates valuation and further inversion of curves. Indeed, front-end yields have risen further sharply discounting more hikes while long-end yields were range bound. The additional and ongoing tightening of central banks will be at a large cost to economic growth and risks additional financial accidents in the banking and/or real estate sector. The full economic impact of all the monetary tightening so far will be felt much stronger in the second half of 2023 as the usual lags of monetary policy will kick in. We expect corporate default rates to increase as a result and unemployment to slowly rise which will help in the battle against inflation. Yield curves are likely to be inverted for some time, but as central banks will see more progress on inflation, yield curves should re-steepen near the end of the year. The riskier fixed income segments, like Investment Grade and High Yield, should trade weaker, but as they trade weaker in due course, they will offer good opportunities for overweight positions.

## Company's Outlook

Robeco will continue to focus on executing its strategy. We are halfway through our strategic period towards our 2025 ambitions (1) to expand our leadership position in sustainable investing, (2) grow the company profitably, and (3) be an employer of choice.

We aim to fulfil these three ambitions, while building on our key strengths in Sustainable Investing, Quant, Credits, Thematic and Emerging Markets. At Robeco we are proud of our long-term investment style, and the second half of 2023 will also provide the opportunity to set up portfolios to generate client returns in future years. We will invest in our strategic initiatives, in people, technology and data, but in a conscious way.

The shift to sustainability across all facets of Investment management will be part of the biggest revolution of our time and is already happening. The industry is moving from ESG to sustainability to impact outcomes. There will be rising expectations on stewardship, engagement, accountability, transparency, and new tools being developed to make sense of the massive increase in ESG data availability. The data is improving, so those dedicated to generating investment returns within a sustainable framework will be more able to evidence this. This development brings both risks and opportunities.

Opportunities will arise in the second half of 2023. We will accelerate our potential growth in our key distribution markets. We aim to grow our penetration in the insurance market and broaden our coverage of wholesale markets in targeted areas. In addition, Robeco is focusing to build out several of its product capabilities including private debt and multi asset.

As of 1 January 2023, SFDR level II has entered into force, expanding the existing regulatory package with concepts as Sustainable Investments, Principal Adverse Impact and reporting on the EU Taxonomy. Robeco implemented this part of the regulation in fall 2022, further updating prospectuses and the required website disclosures. The Principal Adverse Impact Statement for 2022 was published in June 2023. Robeco will continue to follow new guidance provided by European regulators and monitor sustainable finance trends in other regions (e.g., UK and Asia).

On the Digital strategy side, we will continue our migration to Cloud solutions, we will redefine our Front Office Architecture and we will implement a Modern Data Platform based on Snowflake technology to deal with the increase and importance of data. This would enable Robeco to be ready for the future from a Digital perspective.

To become an employer of choice, we recognize that diversity, equity and inclusion (DE&I) play a crucial role. Steps forward such as the foundation of the EDGE employee group this year, together with the DE&I Board, are welcome and necessary to show that we value diversity, promote equity, and embrace inclusion. We know that everyone brings a set of unique talents and perspectives to the table, and that this is essential for our company to continue to thrive. By reviewing existing policies, improving DE&I infrastructure systemically, enhancing leadership training, and implementing the necessary metrics, we will ensure that a solid foundation is laid for an ever stronger diverse, equal and inclusive culture.

Assets under management increased during the first six months of 2023 due to client flows and market appreciation. This will have a positive effect on our net revenues, but we expect that 2023 net revenues will stay below 2022 net revenues. There will be an upward pressure on expenses due to inflation and the growing costs of investments regarding digitalization, sustainability and staffing for future growth. Profit is expected to decrease in 2023 compared to 2022.

Outlook for the second half of 2023 for financial markets remains uncertain with high volatility on the shorter term but with solid multiyear growth expectation. Robeco is well capitalized to absorb market volatility in line with regulatory requirements. Robeco assesses multiple profitability scenarios for the next 12 to 18 months all indicating positive numbers, such analysis is repeated regularly to be able to respond timely to unexpected events. For the remainder of 2023 the Management Board anticipates a positive net result.

The Management Board thanks all employees for their commitment, energy, and professionalism, we are moving forward with confidence.

Rotterdam, 24 August 2023

The Management Board

# Interim Financial Statements 2023

## ***Interim Income Statement***

for the six-month period ended 30 June

<i>EUR x million</i>	<i>Notes</i>	<i>Half-year 2023 Unaudited</i>	<i>Half-year 2022 Unaudited</i>
Net revenues	1	368.5	407.7
Distribution and subadvisory costs	2	151.9	167.0
<b>Gross margin</b>		<b>216.6</b>	<b>240.7</b>
Administrative expenses	3	146.7	131.9
Employee benefits expense	4	10.7	13.0
Depreciation and amortization		1.2	1.3
Other expenses	5	28.1	27.7
<b>Total operating expenses</b>		<b>186.7</b>	<b>173.9</b>
<b>Operating result</b>		<b>29.9</b>	<b>66.8</b>
Finance income		1.9	0.5
Finance expense		0.1	0.9
<b>Result before tax</b>		<b>31.7</b>	<b>66.4</b>
Income tax expense	6	9.5	18.3
<b>Result for the period</b>		<b>22.2</b>	<b>48.1</b>

## Interim Balance Sheet as of 30 June

before profit appropriation

EUR x million	Notes	30 June 2023 Unaudited	31 December 2022 Audited **
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible assets		1.2	1.8
Tangible fixed assets		0.7	0.7
Right-of-use assets		3.5	4.1
Deferred tax assets	7	4.4	5.2
<b>Total fixed assets</b>		<b>9.8</b>	<b>11.8</b>
<b>Current assets</b>			
Trade receivables	8	64.0	59.5
Receivables from group companies	9	100.3	92.4
Accrued fees		17.8	26.7
Current tax receivable		1.1	1.9
Other receivables		2.7	1.8
Cash and cash equivalents		92.0	140.3
<b>Total current assets</b>		<b>277.9</b>	<b>322.6</b>
<b>Total assets</b>		<b>287.7</b>	<b>334.4</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Issued capital	10	0.1	0.1
Share premium		31.5	31.5
Other reserves		0.7	1.0
Retained earnings		108.3	108.0
Result financial period/year*		22.2	88.0
<b>Total equity</b>		<b>162.8</b>	<b>228.6</b>
<b>Provisions</b>	11	<b>1.6</b>	<b>1.6</b>
<b>Non-current liabilities</b>			
Employee benefits		1.5	2.7
Lease liabilities		2.6	3.1
<b>Total non-current liabilities</b>		<b>4.1</b>	<b>5.8</b>
<b>Current liabilities</b>			
Distribution costs and subadvisory costs liabilities		38.3	37.5
Employee benefits		5.8	10.5
Liabilities to group companies	9	49.8	32.0
Lease liabilities		1.0	1.0
Current tax liabilities		7.9	3.6
Other liabilities		16.4	13.8
<b>Total current liabilities</b>		<b>119.2</b>	<b>98.4</b>
<b>Total equity and liabilities</b>		<b>287.7</b>	<b>334.4</b>

\* The result financial period for 2023 is related to the six-month period ending 30 June 2023. The result financial year for 2022 relates to the full year. \*\* These figures are taken from the audited annual report 2022.

## ***Accounting principles for measurement of assets and liabilities and the determination of the result***

### **General information**

Robeco Institutional Asset Management B.V. (also referred to as “the Company” or RIAM) is established in the Netherlands, having its legal seat in Rotterdam. The main activities of the Company are regular investment management activities on behalf of clients, including investment funds. The Company receives management fees and other fees for these activities. Offering private debt investments and other alternative investments can also be considered as main activities of the Company. The Company also offered investment products to retail clients directly, until 30 June 2023. The product range encompasses equity and fixed-income investments. Sales relate mainly to funds which are legally located in the Netherlands and Luxembourg.

All shares of the Company are held by Robeco Holding B.V. The domestic ultimate parent of the Company is ORIX Corporation Europe N.V. (OCE) which is wholly owned by ORIX Corporation (ORIX), with registered office in Tokyo, Japan. Robeco Nederland B.V. is a wholly owned subsidiary of Robeco Holding B.V.

In these financial statements, “Robeco Group Companies” refers to those subsidiaries of OCE that have transactions with the Company.

The Company has both an AIFMD license as referred to in article 2:65 of the Dutch Financial Supervision Act (‘Wft’) and a license to act as manager of UCITS as referred to in article 2:69b of the 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’).

RIAM submits FINREP, MESRAP and IF reports to the Dutch Central Bank (De Nederlandsche Bank, ‘DNB’) on a quarterly basis. The most recent reporting relates to 30 June 2023. All capital and liquidity requirements were met on the reporting dates and are met continuously.

### **Changes in the current reporting period**

We have assessed external (partly correlated) circumstances such as the ongoing Russia-Ukraine conflict, volatility of financial markets and other macroeconomic developments (e.g., inflation), and consider the Company well placed to anticipate to these challenges appropriately. The Company has reviewed its exposure to its business risks and has not identified any risks that could significantly impact the financial performance or position of the Company as of 30 June 2023.

### **Accounting policies**

#### **Interim financial statements**

The interim financial statements of the Company are prepared in accordance with Dutch law (section 2:9 of the Dutch Civil Code) and the Dutch accounting standards issued by the Dutch Accounting Standards Board (DAS 394).

The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2022 of the Company. The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period. The interim financial statements of the Company do not contain a statement of changes in equity or a cash flow statement, consistent with the annual financial report.

The interim financial statements cover the first six months of 2023, which ended at the balance sheet date of 30 June 2023.

## Notes to the interim income statement

### 1 Net revenues

The net revenues can be specified as follows:

<i>EUR x million</i>	Half-year 2023	Half-year 2022
Management fees	300.4	328.8
Service fees	47.3	51.2
Subadvisory fees	8.9	9.0
Fees from clients	7.2	8.3
Revenues from marketing and sales activities	2.8	3.1
Performance fees	1.9	7.3
<b>Total net revenues</b>	<b>368.5</b>	<b>407.7</b>

The Company receives management fees and service fees for its asset management activities directly from funds and mandates. The decline in management and service fees is mainly the result of lower average assets under management in the first half-year of 2023 compared to the first half-year of 2022 due to markets decline.

Subadvisory fees and Revenues from marketing and sales activities are received from other Robeco Group companies. Fees from clients relate to retail clients.

### 2 Distribution and subadvisory costs

The costs can be broken down as follows:

<i>EUR x million</i>	Half-year 2023	Half-year 2022
Distribution costs	98.7	111.7
Subadvisory costs	53.2	55.3
<b>Total distribution and subadvisory costs</b>	<b>151.9</b>	<b>167.0</b>

Distribution costs paid to other Robeco Group Companies amount to EUR 27.2 million (half-year 2022: EUR 32.0 million). Subadvisory costs paid to other Robeco Group Companies amount to EUR 53.2 million (half-year 2022: EUR 55.3 million). To provide better insight we reclassified the comparative figures from Subadvisory costs to administrative expenses for an amount of EUR 3.2 million.

### 3 Administrative expenses

Administrative expenses consist of costs charged by other group companies in the amount of EUR 146.7 million (half-year 2022: EUR 131.9 million) of which Robeco Nederland B.V. charges operating costs in the amount of EUR 130.7 million (half-year 2022: EUR 121.2 million). Charged operating costs relate to the management of investment funds and mandates and related financial services. The cost allocation includes indirect organizational costs and direct business-related costs, which, amongst others, include costs for staff, information technology, marketing and housing. Part of the operating costs charged by Robeco Nederland B.V. is disbursed to other group companies.

Domestic staff is made available to the Company through an intercompany service agreement. Robeco Nederland B.V. is legally the employer of personnel, recharging related expenses to the Company. The charge concerns 748 FTE's as per 30 June 2023 (30 June 2022: 707 FTE's) direct and indirect personnel. These expenses also include disbursements by other entities within Robeco Group.

The remainder of administrative expenses relate to expenses to support the set-up of distribution opportunities in China and Japan and to other recharges from and to other Robeco entities of EUR 16.0 million in total (half-year 2022: EUR 10.7 million in total). To provide better insight we reclassified the comparative figures from Subadvisory costs to administrative expenses (other offices) for an amount of EUR 3.2 million.

#### 4 Employee benefits expense

The staff of Robeco Institutional Asset Management B.V is employed in two different ways. Domestic staff is located in the Netherlands and is legally employed by Robeco Nederland B.V., the group's domestic service company. See note 3 for the recharge of the domestic staff expenses. International staff is formally employed by the Company and is located in the Company's international offices. These staff costs can be specified as follows:

<i>EUR x million</i>	Half-year 2023	Half-year 2022
Wages and salaries	8.0	10.0
Social security and pension costs	1.8	1.6
Other employee benefits expenses	0.9	1.4
<b>Total employee benefits expense</b>	<b>10.7</b>	<b>13.0</b>

As per 30 June 2023 71 FTE's (30 June 2022: 65 FTE's) international staff was executing operational activities on behalf of the Company.

#### 5 Other expenses

Other expenses can be specified as follows:

<i>EUR x million</i>	Half-year 2023	Half-year 2022
Fund and client related costs	23.5	22.9
Marketing	1.9	1.6
Audit costs	0.8	0.7
Travel and accommodation	0.7	0.4
Information technology	0.4	0.8
Housing and furniture	0.4	0.4
Others	0.4	0.3
Addition to other provisions	0.0	0.6
<b>Total other expenses</b>	<b>28.1</b>	<b>27.7</b>

#### 6 Income tax expense

The Dutch statutory tax rate in half-year 2023 was 25.8% (half-year 2022: 25.8%). The current tax is settled monthly, through Robeco Holding B.V., with OCE, the head of the Dutch fiscal unity (see also note 12).

The income tax expense in half-year 2023 was EUR 9.5 million (half-year 2022: EUR 18.3 million). In half-year 2023 the effective tax rate was 30.0% (half-year 2022: 27.6%). The difference in statutory and effective tax rate is mainly caused by prior year adjustments and non-deductible costs.



## Notes to the interim balance sheet

### 7 Deferred tax assets

The deferred tax asset relates to temporary differences in the Company and its branches that are deductible in determining taxable profit of future periods in total of EUR 0.8 million (31 December 2022: EUR 1.3 million). The deferred tax assets include EUR 3.6 million (31 December 2022: EUR 3.9 million) as a result of the merger with Robeco Luxembourg which is amortized in 10 years, starting 2021. The current part of the deferred tax assets amounts to EUR 1.1 million (31 December 2022: EUR 1.8 million).

### 8 Trade receivables

Trade receivables relate to outstanding invoices and fees from funds, which are collected without invoicing.

### 9 Receivables and liabilities from group companies

This item relates to current account receivables and payables with Robeco Group entities. The current accounts are settled periodically.

The Company has granted a current account to Robeco Holding B.V. This current account is immediately payable upon request of the Company. The balance was EUR 80.0 million on 30 June 2023 (31 December 2022: EUR 80.0 million). The loans are granted for cash management purposes and the interest rate is based on Euro short-term rate (€STR) and a risk premium. The effective interest rate in half-year 2023 was 3.5% (half-year 2022: 0.4%). The fair value of the receivables approximates the carrying amount due to their short-term character.

### 10 Equity

On 30 June 2023, the Company's issued and paid in full share capital amounted to EUR 41 thousand (90 ordinary shares).

<i>EUR x million</i>	Issued capital	Share premium	Other reserves	Retained earnings	Result financial Period	Total
<b>On 1 January 2023</b>	<b>0.1</b>	<b>31.5</b>	<b>1.0</b>	<b>108.0</b>	<b>88.0</b>	<b>228.6</b>
Dividend distribution	-	-	-	-	-88.0	-88.0
Release: Luxembourg Net Wealth Tax	-	-	-0.3	0.3	-	-
Add: result half-year 2023	-	-	-	-	22.2	22.2
<b>On 30 June 2023</b>	<b>0.1</b>	<b>31.5</b>	<b>0.7</b>	<b>108.3</b>	<b>22.2</b>	<b>162.8</b>

In accordance with paragraph 8a of the Luxembourg Net Wealth Tax law, a Net Wealth Tax reserve (as part of the other reserves) was formed as per 1 January 2021 as a result of the legal merger with Robeco Luxembourg SA. The reserve will gradually be released during the coming five years period to the Retained earnings.

### 11 Provisions

Movements in provisions were as follows:

<i>EUR x million</i>	Possible loss of income
<b>Cost on 1 January 2023</b>	<b>1.6</b>
Additions	-
Usage	-
<b>Net carrying amount on 30 June 2023</b>	<b>1.6</b>

In 2016 the Company has recorded a provision of EUR 1.6 million for an estimated loss of income. It is expected that the period of uncertainty is between one to three years as of 30 June 2023. As per 30 June 2023 no amounts were used.

## 12 Contingent assets and liabilities

The amount of accrued carried interest, which is not yet distributed by the Investee Funds, is to be marked as a contingent asset of EUR 3.6 million as per 30 June 2023 (as per 31 December 2022: EUR 3.4 million). The final amount of the carried interest to be distributed by the Investee Funds may be significantly different from the amount earlier marked as contingent assets.

On 21 April 2022, the Belgian High Court ruled that Belgium is not entitled to levy Belgian subscription tax for the Dutch Robeco investment funds registered and distributed in Belgium. The ruling of the Belgium High Court applies to the assessment years 2008-2014. For the tax assessment years after 2014 refund applications have been filed to reclaim the Belgian annual subscription tax of EUR 0.6 million for Dutch Robeco investment funds. It remains uncertain whether these will be granted to the Company. Given the uncertain outcome of the legal proceedings this reclaim is marked as a contingent asset.

Stichting Robeco Funds ("SRF") is the holding of cash for the purpose of facilitating the purchase and sale of participation rights in investment institutions managed by a manager belonging to the Robeco Group. SRF acts as facilitator for the cash flows of these investment institutions for the account and risk of such investment institutions, exclusively in the interests of the participants or shareholders. The Company has issued a guarantee in which the Company commits itself to cover the credit default risk relating to the collection accounts of Stichting Robeco Funds.

In consideration of the Monetary Authority of Singapore granting a license to Robeco Singapore Private Limited, the Company has confirmed that it accepts full responsibility for all operations of Robeco Singapore and ensures that Robeco Singapore maintains sound liquidity and a sound financial position at all times.

For a few clients where a sister company acts as formal manager, the Company covers for certain liabilities resulting from that formal manager role.

The Company is part of the Dutch fiscal unity of OCE for corporate income tax purposes and is jointly and severally responsible for the resulting tax liability, as are the other companies that are part of the tax group.

The Company has commitments regarding IT-related contracts of EUR 0.1 million (31 December 2022: EUR 0.1 million). These commitments have remaining terms of between 1 and 2 years.

The Company has irrevocable credit facilities related to guarantees of EUR 0.1 million (31 December 2022: EUR 0.1 million).

## 13 Subsequent events

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 transfer 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 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 joined Van Lanschot Kempen as of 1 July 2023. Robeco Retail vendor contracts were also transferred. Impact on Robeco's assets under management and operating result is limited. The transfer will result in a one-off gain to be accounted for by Robeco as per 1 July 2023.

There are no other subsequent events to be reported.

Rotterdam, 24 August 2023

The Management Board:  
Karin van Baardwijk  
Mark den Hollander  
Marcel Prins

Supervisory Board:  
Maarten Slendebroek  
Sonja Barendregt – Roojers  
Stanley Koyanagi  
Mark Talbot  
Radboud Vlaar