

ROBECO

Summary document

Robeco Capital Growth Funds - Robeco Emerging Markets Bonds Local Currency

This financial product promotes environmental or social characteristics, but does not have as its objective sustainable investment.

The Sub-fund has the following E/S characteristics:

1. The Sub-fund promotes having a weighted average Robeco Country Sustainability Ranking score that is better than that of the general market index referred to in Appendix VI – Benchmarks (the "General Market Index").
2. The Sub-fund aims to contribute to the United Nations Sustainable Development Goals by investing in green, social and/or sustainability bonds that are used to finance environmental and social projects.
3. The Sub-fund promotes certain minimum environmental and social safeguards through applying exclusion criteria with regards to products and business practices that Robeco believes are detrimental to society, such as exposure to controversial behavior, controversial weapons, and certain fossil fuel-related activities. 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.

There is no reference benchmark designated for the purpose of attaining the environmental or social characteristics promoted by the Sub-fund

Investment Strategy

Robeco Emerging Markets Bonds Local Currency is an actively managed fund that predominantly invests in Local currency bonds issued by emerging market countries. The selection of these bonds is based on fundamental analysis as described in the Investment policy strategy paragraph in Appendix I of this Prospectus.

The strategy integrates sustainability indicators on a continuous basis as part of the bond selection process. Amongst others, the Sub-fund applies norms-based, activity-based and regional exclusions, Robeco's good governance policy, Robeco's SDG framework and considers Principal Adverse Impacts in the investment process. More product-specific information can be found on our website and the links provided in the final question of this disclosure.

Benchmark

Not applicable.

Planned asset allocation

The product plans to make a minimum amount of 5 sustainable investments. All investments are aligned with the E/S characteristics, with the exception of investments in the category "other" which are mostly cash and cash equivalents.

Monitoring and due diligence

Robeco has incorporated the sustainability aspects of the investment strategies into adequate investment due diligence processes and procedures for the selection and monitoring of investments, amongst others taking into account Robeco's risk appetite and sustainability risk management policies. Portfolio managers and analysts are primarily responsible for conducting investment due diligence on their strategies on a daily basis. They are supported by independent monitoring, performed by the Financial Risk Management and Investment Restrictions departments.

Data sources, methodologies and limitations

The product uses several sources for gathering sustainability data. Robeco scrutinises the data quality of each provider during due diligence assessments, that includes reviewing the data model, performing statistical checks and evaluating coverage. Data processing takes place in different forms, the preference is always to have data acquisition as automated as possible to avoid any operational risks or unnecessary human intervention.

Robeco maintains comprehensive methodology documents of our proprietary analytical frameworks on our website. In addition, for some social and environmental characteristics, Robeco relies on externally sourced content for which we aim to select the best of breed vendor for each of our target characteristics. The primary limitation to the methodology or data source is the lack of corporate disclosure. Like many other financial market participants, we struggle to find adequate information on the principal adverse indicators. To overcome this issue, Robeco has resorted to using multiple data providers, since each has its own respective strengths and weaknesses.

Engagement strategy

The holdings of the fund are subject to the selection process of Robeco's value engagement program, that consists of a constructive dialogue between investors and investee companies to discuss how they manage ESG risks and opportunities, as well as stakeholder impact. Although this type of engagement is not directly related to the environmental or social investment strategy of the fund, it can be that adverse sustainability impacts are addressed via the value engagement program.