

Robeco (LU) Funds III
Société d'investissement à capital variable
11/13 boulevard de la Foire, L-1528 Luxembourg
Grand Duchy of Luxembourg
R.C.S. Luxembourg: B 40.490
(the "**Fund**")

NOTICE TO SHAREHOLDERS OF THE FUND

By registered mail

Luxembourg, 31 October 2018

Dear Investor,

As a Shareholder and Investor in the Fund, the board of directors of the Fund (the "**Board of Directors**") hereby informs you of certain changes concerning the Fund and its sub-funds (the "**Sub-funds**").

1. Change of Depositary, Administration Agent, Domiciliary Agent and Listing Agent

The Board of Directors has decided to replace RBC Investor Services Bank S.A. ("**RBC**") with J.P. Morgan Bank Luxembourg S.A. ("**JPM**") as Depositary, Administration Agent, Domiciliary Agent and Listing Agent (the "**Migration**") with effect from 3 December 2018.

With respect to this change of service providers, Shareholders are informed that in order to protect the interest of the Fund and the Sub-funds, the Board of Directors has indicated that 30 November and 3 December 2018 will be considered as non-Bank Business Days. On these days, no subscription and redemption orders will be executed.

The replacement of RBC with JPM is to change Robeco's current outsourcing arrangements. The decision to outsource to JPM is part of Robeco's strategic plan for 2017-2021, which envisages further international growth in both investment and client-servicing activities.

2. Change of Lending Agent

The Board of Directors has decided to replace Robeco Institutional Asset Management B.V. ("**RIAM**") with JPM as Lending Agent with effect from 3 December 2018 following Robeco's decision to change its current outsourcing arrangements to JPM.

As a result of the change of Lending Agent, the income sharing arrangement with the Lending Agent relating to securities lending and reverse repurchase transactions will be changed:

a) The income generated by securities lending transactions is currently split between RIAM and the Fund. The income split varies between 20% and 35% for RIAM, and between 65% and 80% for the Fund. An income split percentage has been agreed for each Sub-fund.

As from 3 December 2018, the income of securities lending transactions will be for the benefit of the relevant Sub-fund except for a fee applied by JPM (i.e. the percentage of the income of the securities

lending transactions that is retained by the Lending Agent), based on the securities lending returns. This fee amounts to (A) 25% of the income from these securities lending transactions for any loans which generate a return of 0.5% or less and (B) 10% of the income from these securities lending transactions for any loans which generate a return greater than 0.5%.

b) RIAM currently does not conclude reverse repurchase transactions in relation to securities lending transactions. From 3 December 2018, if cash collateral is received JPM will be responsible for conducting reverse repurchase transactions. The result generated by these transactions will be for the benefit of the Sub-fund except for a fee applied by JPM (i.e. the percentage of the income of the reverse repurchase transactions that is retained by the Lending Agent), based on the returns. This fee amounts to (A) 25% of the income from these transactions if the return is 0.5% or less and (B) 10% of the income from these transactions if the return is greater than 0.5%.

In light of the above, it is expected that the new income sharing arrangement with JPM will be in favor of the Fund. However there may be circumstances where, due to the arrangement with JPM, a higher fee for the Fund may be incurred, for instance when income from securities lending and reverse repurchase transactions is lower than expected.

For the avoidance of doubt, RIAM will continue to conduct repurchase and reverse repurchase transactions with respect to cash positions of the relevant Sub-fund on behalf of the Fund. The result generated from these transactions (positive or negative) is solely for the account of the Fund. RIAM does not receive a fee for repurchase or reverse repurchase transactions other than its investment adviser fee and the ad hoc fees allocated to it to cover its direct and indirect operational costs and fees.

3. Personal Data

The Board of Directors would like to inform you that JPM, as future Depositary, Administration Agent, Domiciliary Agent, Listing Agent and Lending Agent will receive access to and process Investor information. Investor information includes personal data such as identification data, account information, contractual and other documentation and transactional information of Shareholders and/or their representatives, authorised signatories or ultimate beneficial owners. Shareholders are authorized to access personal data relating to them free of charge, and may request correction or deletion of that data, if necessary. You may contact JPM at +352 46 26 85 200 or Robeco.TA@jpmorgan.com, to exercise these rights as from 3 December 2018. The transfer and processing of data is necessary for the performance of the duties of JPM. Please note that should a Shareholder or an Investor object to the processing of the required personal data, this would prevent maintaining the holding of Shares in the Fund. Further information in relation to the transfer and processing of data is disclosed in the revised Prospectus and can be obtained from the Fund.

4. Change of registered office

As a result of the expected change of Domiciliary Agent, the Board of Directors has also decided to transfer the Fund's registered office to 6 route de Trèves, L-2633 Senningerberg, in the municipality of Niederanven, with effect from 3 December 2018 and to amend the articles of incorporation of the Fund (the "**Articles**") accordingly, without convening an extraordinary general meeting of Shareholders of the Fund (following the procedure provided by Article 4 of the Articles).

Therefore, as from 3 December 2018, Article 4 of the Articles shall read as follows: "*The registered office of the Corporation is established in Senningerberg, in the municipality of Niederanven, in the Grand Duchy of Luxembourg*".

5. Change to exposure to total return swaps

Currently, each Sub-fund may invest in total return swaps, for efficient portfolio management and as tools for the Fund, to increase its overall performance (potential exposure to total return swaps can be up to a maximum of 100% of the relevant Sub-fund's net asset value). With effect from 3 December 2018, all Sub-funds may no longer invest in total return swaps.

It is anticipated that the above changes will not result in any change to the current fees and expenses payable to or borne by the Fund or its Shareholders.

All costs incurred in connection with the proposed changes set out above will be borne by RIAM except that any costs in connection with the change of the Depositary up to EUR 1,000 per Sub-fund (inclusive) will be borne by each Sub-fund. Any costs in connection with the change of Depositary which exceeds EUR 1,000 per Sub-fund will be borne by RIAM but the Board of Directors considers that these costs are not significant in terms of the current Net Asset Value of each Sub-fund.

Shareholders are reminded that, as provided in the Prospectus, the Fund does not charge any redemption fee and Shareholders who disagree with the changes outlined above may redeem their Shares free of charge.

Any defined term in this letter shall have the same meaning as in the Prospectus unless otherwise defined herein.

Any further details, the amended texts which will be included in the revised Prospectus, draft versions of the revised Prospectus and the revised Articles (available as from 3 December 2018), the prospectus, the Key Investor Documentation, the articles of association and the annual and semi-annual reports of the Company are available free of charge at the registered office of the Company, at the representative of the Company in Switzerland, Robeco Switzerland AG, Josefstrasse 218, 8005 Zürich, and at www.robeco.com/luxembourg.

The paying agent of the Company in Switzerland is UBS Switzerland A.G., Bahnhofstrasse 45, 8001 Zürich.

As per 1 December 2018, the representation function in Switzerland passes from Robeco Switzerland AG, Josefstrasse 218, CH-8005 Zurich, to ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zurich, subject to prior approval by the Swiss Financial Market Supervisory Authority (Eidgenössische Finanzmarktaufsicht, FINMA).

The function of payment agent remains with UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich. The prospectus, key investor information, articles of association, and annual and semi-annual reports can all be obtained free of charge from the current representative until the transfer takes place, and from then on from the new representative.

Yours faithfully,

On behalf of Robeco (LU) Funds III