

Robeco (LU) Funds III
Société d'Investissement à Capital Variable
6 route de Trèves, L-2633 Senningerberg, Grand Duchy of Luxembourg
RCS Luxembourg B 40 490
(the “Fund”)

NOTICE TO SHAREHOLDERS OF THE FUND

By registered mail

Luxembourg, 30 June 2020

Dear Investor,

As a Shareholder 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. Description of Institutional Share Classes

a) The following provision has been added to the description of Institutional Share Classes under section “2.1 Classes of Shares” of the Prospectus to clarify the existing options when:

(i) minimum initial investment amount is not met:

“When the minimum subscription amount is not met, the Company may (1) switch the relevant Shares into Shares of a Class of Shares which do not have any minimum initial subscription amount applicable (provided that there exists such a Class of Shares with similar characteristics within the same Sub-fund but not necessarily in terms of the fees, taxes and expenses payable by such Share Class) or (2) extend the waiver.”

(ii) Institutional Classes of Shares are being held by non-institutional Investors:

“The Company will not issue Institutional Classes of Shares or contribute to the transfer of Institutional Classes of Shares to non-institutional Investors. If it appears that Institutional Classes of Shares are being held by non-institutional Investors, the Company will switch the relevant Shares into Shares of a Class of Shares which is not restricted to Institutional Investors (provided that there exists such a Class of Shares with similar characteristics within the same Sub-fund but not necessarily in terms of the fees, taxes and expenses payable by such Share Class) or compulsorily redeem the relevant Shares in accordance with the provisions foreseen in the Articles.”

b) All institutional share classes do no longer need to be placed only through a direct account with the Registrar, although such mean remain possible.

2. Description of Redemption of Shares

It has been clarified in section “2.5. Redemption of Shares” of the Prospectus that in case of exceptional circumstances due to exchange control regulations or similar constraints in the markets, the Company may extend the period for payment of the redemption proceeds.

3. Amendment to the section on the prevention of money laundering and financing of terrorism

It has been clarified in section “2.6 Prevention of money laundering and financing of terrorism” of the Prospectus that in case of delay or failure to provide the documents pursuant to ongoing client due diligence for anti-money laundering purposes, the Company, the Management Company and JPM may decide to block the Shareholders’ account.

4. Removal of loans qualifying as money market instruments as eligible investment for the Fund

All references to investments in loans qualifying as money market instruments have been removed from the Prospectus as such investments are no longer allowed further to a change in CSSF position.

5. Share classes entry charge

Under section “3.1 Fees and Expenses” of the Prospectus, the maximum entry charge which may be applied by sales agents will be 5% for equity Sub-funds, 3% for bond Sub-funds and 4% for other Sub-funds (as opposed to a flat fee of 3% applicable for all Sub-funds previously), subject to the same exceptions as currently provided in the Prospectus.

6. Change in method used to calculate the global exposure and use of a benchmark index for the purpose of asset allocation

Under “Appendix V – Benchmarks” of the Prospectus, it has been inserted that the Sub-funds listed in Appendix I to this notice will use benchmarks for asset allocation purpose, as follows:

Sub-fund	Benchmark used
Robeco High Yield Bonds Feeder Fund – zero duration	Bloomberg Barclays US Corporate High Yield + Pan Euro HY ex Financials 2.5% Issuer Cap
Robeco Financial Institutions Bonds Feeder Fund – zero duration	Bloomberg Barclays Euro Aggregate Corporates Financials Subordinated 2% Issuer Cap
Robeco Global Credits Feeder Fund – zero duration	Bloomberg Barclays Global Aggregate Corporates Index

The benchmarks of the Sub-funds are aligned with those of their respective master sub-funds.

Accordingly, under “Appendix III – Financial Risk Management” of the Prospectus, the Absolute VaR approach used for the calculation of the global exposure of the Sub-funds listed in Appendix I to this notice will be replaced by the Relative VaR approach.

7. Clarification of provisions relating to securities lending and repurchase agreements

a) The description of the counterparties to securities lending and repurchase agreements has been amended as follows in “Appendix III – Financial Risk Management” of the Prospectus:

“Counterparties to securities lending transactions/repurchase agreements are assessed on their creditworthiness ~~(based on external resources quoting the short-term rating and on)~~, credit spread, prudential status, as well as ~~guarantees issued~~ the availability of a guarantee provided by ~~the~~ its parent company ~~of such counterparties, if any. The perceived creditworthiness of the counterparty will~~

~~determine the applicable limits for the counterparty. If the counterparty has a short-term mid-rating lower than P-1, limits are decreased~~or the lending agent. These internal guidelines are determined in the best interest of the client by the Company and are subject to change without prior notice.”

b) Under “Appendix IV – Financial Derivative Instruments, Efficient Portfolio Management Techniques and Instruments”, the following amendments have been made to the paragraph relating to securities lending and repurchase agreements:

- removal of the statement that the Fund seeks advice from an external consultant regarding the fees of securities lending agents;
- update of the table relating to the maximum levels of investment by the Sub-funds in securities lending, repurchase agreements and reverse repurchase agreements.

The changes will become effective as from 1 August 2020.

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 last net asset value per share for each class of the Sub-Fund, the revised Prospectus (available as from 1 August 2020), 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, ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zürich, and at www.robeco.com/luxembourg.

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

Yours faithfully,
The Board of Directors of Robeco (LU) Funds III

Appendix I - Change in method used to calculate the global exposure

The Absolute VaR approach used for the calculation of the global exposure of the Sub-funds listed below will be replaced by the Relative VaR approach:

- Robeco High Yield Bonds Feeder Fund - zero duration
- Robeco Financial Institutions Bonds Feeder Fund - zero duration
- Robeco Global Credits Feeder Fund - zero duration