

ROBECO INSTITUTIONAL ASSET MANAGEMENT

Exclusion Policy

December 2025

Robeco's Exclusion Policy

1. Introduction

Robeco Institutional Asset Management (hereinafter: Robeco) actively advocates sustainable investing. Carrying out stewardship responsibilities is an integral part of Robeco's sustainable investing approach. As such, Robeco wants to avoid making any investments which we or our clients deem unsuitable. Within the toolbox for sustainable investing, Robeco views exclusions as a measure of last resort. Furthermore, Robeco needs to comply with regulations, that can lead to restrictions on investments. This means that Robeco's exclusion policy serves three purposes:

1. A minimum standard: We set out minimum standards targeting products, services and business practices which Robeco deems detrimental to the people and the planet or at severe risk of becoming stranded assets and where Robeco believes the possibility to change this through engagement is limited.
2. A measure of escalation: We use exclusion as an escalation step within engagements where we have initiated the engagement due to misconduct.
3. Compliance with regulation: When regulation leads to exclusions, the exclusion policy is used to comply.

Robeco applies two levels of exclusions:

- Level 1 'Exclusions': minimum exclusion criteria considered by Robeco for all funds.
- Level 2 'Exclusions+': adds to Level 1 by enhancing criteria and categories in scope. These enhanced criteria also mean that companies under engagement due to misconduct are no longer eligible for strategies following Level 2.

You can find which level of exclusion criteria apply to a strategy with the product information on www.robeco.com and in the fund overview on www.robeco.com/docm/docu-exclusion-list.pdf.

The Robeco exclusion policy only concerns the direct exclusion of securities from an investment universe. For some of our strategies, we apply additional universe restrictions on sustainability grounds, e.g. through negative screening on an ESG or SDG metric. Furthermore, it can be the case that additional exclusions apply to a strategy, e.g. those required for a Paris-aligned benchmark or local labels. More information on these additional exclusions can be found in Section 2.3: Additional exclusions.

This exclusion policy is applicable to all assets under management from all funds over which we have full discretion, including those funds sub-advised by other managers, but excluding discretionary mandates and client-specific funds.

This policy provides insights into the different exclusion categories as well as the scope, governance and implementation. An overview of the different exclusions within each level is provided in Table 1. In this figure, we also highlight the categories where Robeco can initiate enhanced engagement programs.

Enhanced engagement at Robeco

Robeco initiates engagements based on misconduct by companies. We call this 'enhanced engagement'. A company under 'enhanced engagement' remains eligible under Level 1, but is excluded under our Level 2. If the engagement is closed successfully, the company will become eligible again under our Level 2. However, if the enhanced engagement does not show desired changes regarding the misconduct after a predetermined period of time, the additional exclusion of the company under Level 1 is the ultimate measure of escalation.

Table 1: Robeco's Exclusion Policy

			Exclusion category	Measure for screening	Level 1 'Exclusions' criteria	Level 2 'Exclusions+' criteria	Other exclusions	
Corporate exclusion criteria	Behavior-based		Controversial behavior	ILO, UNGP, UNGC and OECD compliance ^{EE}	Subject to engagement ¹	Fail test	Paris-aligned benchmarks (EU Benchmark Regulation)	
			Climate standards	Engagement on Robeco's Paris Alignment assessment ^{EE}	Subject to engagement ¹	Subject to engagement ¹	FeBeFin 'Towards Sustainability'	
			Good governance	Robeco's Good Governance test ^{EE}	Subject to engagement ¹	Subject to engagement ¹	Sanctions	
			AML/CTF	Robeco's KYA assessment based on AML/CTF criteria	Fail test	Fail test		
	Product-based		Weapons	Controversial weapons	Revenues from production, key components or services	≥ 0%	≥ 0% ²	
				Military contracting	Revenues from weapons and components Revenues from weapon related products Non weapon related products	Not applicable	>5% >25% >50%	
			Fossil fuels ³	Firearms	Revenues from production	Not applicable	≥ 5%	
					Revenues from retail	Not applicable	≥ 10%	
				Thermal coal	Revenues from coal extraction/mining	≥ 20%	≥ 20%	
					Revenues from coal power generation	≥ 20%	≥ 20%	
					Coal power expansion plans in MW (pro rata) ^{EE}	≥ 300 MW ⁴	≥ 300 MW	
				Arctic drilling	Revenues from extraction	≥ 5%	≥ 5%	
				Oil sands	Revenues from extraction	≥ 10%	≥ 10%	
				Other products	Forest risk commodities	Palm oil: RSPO-certified hectares of land at plantation	<80%	<80%
					Other commodities: Robeco's minimum requirements on deforestation risk management	Subject to engagement	Subject to engagement	
			Tobacco		Revenues from production	≥ 0%	≥ 0%	
					Revenues from retail	≥ 10%	≥ 10%	
				Revenues from related products/services	≥ 50%	≥ 50%		
			Sovereign exclusion criteria			Countries	Robeco's Country Exclusion test	Fail test

^{EE} Enhanced Engagement: The exclusion criteria are linked to Robeco's enhanced engagement program.

¹⁾ Companies may be subject to engagement before exclusion. In such cases, exclusion is triggered if the engagement is unsuccessful. If engagement is deemed undesired, companies will be subject to direct exclusion. The extent to which engagement is deemed desired is based on the exclusion category and factors such as engageability, relevance, and regulatory compliance.

²⁾ The scope under the Level 2 criteria also covers companies involved in nuclear weapons from so-called 'Nuclear States' (US, UK, France, Russia and China) as defined in the Treaty on the Non-Proliferation of Nuclear Weapons (1968)

³⁾ Investments in green bonds from issuers excluded under one of the fossil fuels-related categories remain eligible

⁴⁾ Companies under enhanced engagement in the category climate standards remain eligible.

2. Exclusion categories

The exclusion policy distinguishes between corporate and sovereign exclusion criteria. The corporate criteria focus on standards for company activities and practices and can lead to the exclusion of securities from a company. The sovereign criteria look at the governance of countries and can lead to the exclusion of sovereign bonds (federal or local) from the government of a country. A number of categories are used in Robeco's approach to the EU Sustainable Finance Disclosure Regulation (SFDR) Principal Adverse Impact (PAI) indicators. For more information on this, see Robeco's PAI Statement on www.robeco.com/docm/docu-robeco-principal-adverse-impact-statement.pdf.

2.1 Corporate exclusion criteria

Within corporates, the most important distinction is between behavior-based and product-based exclusion criteria. The behavior-based criteria center around meeting global and regulatory standards, regardless of the products or services in which a company is active. The product-based criteria on the other hand focus on involvement in certain products and activities which we deem unsustainable. Within this group, we make a further subdivision into involvement in weapons, fossil fuels or other products.

2.1.1 Behavior-based exclusions

The following categories fall under the behavior-based corporate exclusion criteria:

Controversial behavior

Robeco acts in accordance with the following international standards on responsible conduct:

- A. International Labor Organization (ILO) standards
- B. United Nations Guiding Principles (UNGPs)
- C. United Nations Global Compact (UNGC) Principles
- D. the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises

These international treaties guide us in assessing controversial behavior of companies. If Robeco deems a company to severely breach these standards and deem engagement possible, the company will be in scope of our dedicated enhanced engagement program focusing on controversial international business behavior. Companies under engagement in this program remain eligible under the Level 1 criteria, but are excluded under Level 2. If the engagement is closed successfully, the company also becomes eligible under Level 2, otherwise it is additionally excluded under Level 1. This category is aligned with Robeco's approach to the SFDR PAI indicators on violations and lack of compliance monitoring of UNGC Principles and OECD Guidelines for Multinational Enterprises.

Climate standards

As outlined in Robeco's Net Zero by 2050 Roadmap, Robeco pursues engagement to accelerate the alignment of investee companies with international climate standards as laid down in the goals of the Paris Agreement. This includes a dedicated 'enhanced engagement' program focusing on a subset of misaligned top emitters in our investment universe which have been identified through our proprietary 'Traffic Light Assessment'. Also, companies with coal power expansion plans can be selected for this dedicated 'enhanced engagement' program (more information in the section on thermal coal). Companies under engagement in this program remain eligible for level 1 and 2 until the engagement is concluded.

Good governance

Corporate Governance refers to a set of rules or principles that defines rights, responsibilities and expectations between different stakeholders in the governance of corporations. A well-defined corporate governance system can be used to balance or align interests between stakeholders and can work as a tool to support a company's long term strategy. Via Robeco's good governance test, we determine whether a company follows minimum good governance standards or not. If a company fails the test, it will be restricted from the initial investment universe unless Robeco deems that engagement with the company can reasonably result in the company following governance practices within a year. In such a case, the company will be in scope of our dedicated enhanced engagement program focusing on good governance. Companies under engagement remain eligible for investment under both level 1 and 2 until the engagement is concluded. With this category, Robeco complies with the SFDR requirement for good governance for Article

8 and 9 products. More information on the test for good governance is available via www.robeco.com/docm/docu-robeco-good-governance-policy.pdf.

Money laundering and terrorism financing

Money laundering undermines trust of citizens in society. Criminal and terrorist organizations and individuals use laundered money for personal gain and to finance their activities. In the end, society pays, not only through higher taxes but also because society becomes less safe, and the rule of law is undermined. Robeco screens for companies that might engage in money laundering and terrorism financing. Furthermore, Robeco takes a risk-based approach whereby all assets in portfolio are scored for money laundering risk. This process is set up to comply with Anti-Money Laundering and Counter Terrorism Financing regulations.

2.1.2 Product-based exclusions

2.1.2.1 Weapons

Controversial weapons

Robeco deems anti-personnel mines, cluster munitions, chemical, biological weapons, white phosphorus, depleted uranium weapons and nuclear weapons that are tailor made and essential, to be controversial weapons. Exclusion is applied to companies that are manufacturers of certain products that do not comply with the following treaties or legal bans on controversial weapons:

- A. The Ottawa Treaty (1997) which prohibits the use, stockpiling, production and transfer of anti-personnel mines.
- B. The Convention on Cluster Munitions (2008) which prohibits the use, stockpiling, production and transfer of cluster munitions.
- C. The Chemical Weapons Convention (1997) which prohibits the use, stockpiling, production and transfer of chemical weapons.
- D. Biological Weapons Convention (1975) which prohibits the use, stockpiling, production and transfer of biological weapons.
- E. The Treaty on the Non-Proliferation of Nuclear Weapons (1968) which limits the spread of nuclear weapons to the group of so-called Nuclear- Weapons States (USA, Russia, UK, France and China).
- F. The Dutch act on Financial Supervision 'Besluit marktmisbruik' art. 21 a.
- G. The Belgian Loi Mahoux, the ban on uranium weapons.
- H. Council Regulation (EU) 2018/1542 of 15 October 2018 concerning restrictive measures against the proliferation and use of chemical weapons.

This category is aligned with Robeco's approach to the SFDR PAI indicator on controversial weapons (antipersonnel mines, cluster munitions, chemical weapons and biological weapons).

Controversial weapons – wider nuclear weapon scope (Level 2 'Exclusions+')

For the strategies following our Level 2 exclusions, Robeco wants to avoid any investment in nuclear weapon companies and therefore also excludes companies involved in nuclear weapons from so-called 'Nuclear States' (US, UK, France, Russia and China), as defined in the Treaty on the Non-Proliferation of Nuclear Weapons (1968).

Military contracting (Level 2 'Exclusions+')

For strategies following our Level 2 exclusions, Robeco excludes companies that generate 5% or more of their revenues from the manufacture of military weapon systems and/or integral, tailor-made components or these weapons, or 25% or more revenues from weapon-related products or services that are tailor-made to support military weapons, or 50% or more revenues from non-weapons related tailor-made products and/or services to the military or defence industry.

Firearms (Level 2 'Exclusions+')

For strategies following our Level 2 exclusions, Robeco excludes companies that generate 5% or more of their revenues from involvement in the production of assault and non-assault firearms or small arms or key components thereof, for civilian, military, and law enforcement customers. Companies that generate 10% or more of their revenues from retail sales of assault and non-assault firearms or small arms are also excluded.

2.1.2.2 Fossil fuels

Robeco restricts investments in companies involved in thermal coal through a number of categories. Additionally, investments in companies involved in oil sands and arctic drilling are restricted under the climate-related exclusion categories. These exclusion categories are a part of Robeco's approach to the SFDR PAI indicators related to greenhouse gas emissions.

Green bonds issued by companies excluded under the fossil fuels category are exempt from the exclusion and remain investable as long as they are dedicated to environmentally sound projects. These green bonds must either comply with the European Green Bonds Regulation (Regulation (EU) 2023/2631) or, if not issued under this regulation, ensure that they do not finance activities related to amongst others fossil fuels as referred to in Article 12(1)(a-b) and (d-g) of Commission Delegated Regulation (EU) 2020/1818.

Thermal coal

Robeco excludes investments in thermal coal as it is by far the highest carbon-emitting source of energy in the global fuel mix. Science indicates that limiting global warming to 1.5 degrees Celsius

above average pre-industrial levels requires a coal phase out in OECD countries by 2030 and the rest of the world by 2040. Through three categories, investment in companies involved in thermal coal is restricted:

1. Companies that derive 20% or more of their revenues from the extraction/mining of coal
2. Companies that derive 20% or more of their revenues from the generation of power with coal
3. Companies with plans* to build new coal power plants with a capacity of 300 MW (pro rata) or more. A company can be selected for enhanced engagement in our Climate standards program (see above) under two sets of circumstances: (i) companies where we see a positive outlook to adopt a climate transition plan; and (ii) companies that are building a coal power plant as backward integration. Companies under engagement remain eligible for investment under both level 1 and 2 until the engagement is concluded.

Arctic drilling

Arctic drilling is considered part of the unconventional oil and gas industry and particularly poses higher risks on oil spills compared to conventional oil and gas. It also has potential irreversible impacts on the sensitive Arctic ecosystem, indigenous people and climate change. Robeco excludes companies that derive 5% or more of their revenues from Arctic drilling.

Oil sands

Oil sands are among the most footprint intensive means of crude oil production. Robeco excludes companies that derive 10% or more of their revenues from oil sands.

2.1.2.3 Other products

Forest risk commodities

Deforestation and conversion pose a systemic risk to companies and investors and may lead to breaches of the UN Global Compact if forest risk commodities are not produced sustainably. Robeco pledged to address forest risk commodity-driven deforestation at the companies in our investment portfolios through active ownership by signing the COP26 Financial Sector Commitment on Eliminating Agricultural Commodity-Driven Deforestation. We defined minimum expectations on how companies directly exposed to palm oil, soy, beef, pulp and paper should mitigate deforestation risks. Companies deriving material revenues directly linked to these commodities should have a zero-deforestation commitment or policy in place. Moreover, they should not be involved in severe controversies linked to deforestation and/or conversion. For palm oil specifically, we implement these deforestation minimum expectations whilst we

* In case an identified coal power expansion plan is considered not yet a definite one based on corroboration of various sources, including our portfolio managers' insights and data providers' assessment, the case will be brought to the Controversial Behavior Committee and a company-specific approach will be determined, which can include further research and engagement regarding the status of the plan.

exclude palm oil producing companies, which generate 5% or more of their revenues from palm oil production, with 80% or less of their plantations certified by the Roundtable on Sustainable Palm Oil (RSPO).

Companies that fail to implement these minimum requirements would be included in our deforestation enhanced engagement program. If the engagement is closed successfully, the company will remain eligible for investment, otherwise it will be excluded under Level 1 and Level 2. This category is a part of Robeco's approach to the SFDR PAI indicators related to biodiversity.

Tobacco

Tobacco is an unhealthy and socially disadvantageous product. Robeco deems investing in tobacco companies an unsustainable investment. Exclusion is applied to companies that are involved in the production of tobacco. In addition, exclusion is applied to suppliers that generate 50% or more of their revenues from the production of tobacco-related products and/or services like rolling papers and specialized packaging material. Lastly, companies that generate 10% or more of their revenues from retail sales from tobacco products are also excluded.

2.2 Sovereign exclusion criteria

2.2.1 Countries

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. To identify these countries, Robeco makes use of our Country Exclusion Framework in which we use data from:

- A. World Bank: World Governance Index (WGI) on Political Stability and Absence of Violence/ Terrorism.
- B. Freedom House: Freedom in the World (FIW) index on Political rights and civil liberties.
- C. Fund for Peace: Fragile States Index (FSI).
- D. International sanctions.

When a country exceeds the pre-defined thresholds for at least three of the four criteria outlined above, the country is excluded from investment. This category is a part of Robeco's approach to the SFDR PAI indicators related to investee countries subject to social violations.

2.3 Additional exclusions

Besides the policy exclusions, additional exclusion criteria can apply to a strategy. These are exclusion criteria in addition to those from the exclusion policy described above. The resulting exclusion lists may overlap. The additional exclusion criteria that may apply include:

2.3.1 Restrictions from EU Benchmark Regulation

A Robeco strategy can follow a benchmark that fulfils the requirements of the EU Benchmark Regulation, which restricts companies from the benchmark constituents. In such a case, for that strategy Robeco will mimic the restrictions on companies that do not meet the criteria as set out in Article 12 of the EU Regulation regarding minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks.

2.3.2 Strategies carrying the FeBeFin 'Towards Sustainability' label

If a strategy carries the 'Towards Sustainability' label from FeBeFin, Robeco will additionally restrict the companies from the investment universe of the strategy that do not meet the criteria of the label. For more information, see www.towardsustainability.be.

2.3.3 Sanctions

With regard to the portfolio holdings and counterparties, Robeco will follow applicable sanctions of the Netherlands, UN, EU, UK (as if being a UK Person) and US (for the Dutch, Luxembourg and Irish fund range as if being a US Person), as amended and/or supplemented from time to time, and any mandatory (investment) restrictions deriving therefrom. Discretionary mandates and client specific funds will in principle not be treated as a US Person nor will these follow the UK Sanctions, unless they have explicitly requested so in writing. In case of conflicting sanctions the applicable sanctions from the EU will prevail at all times.

3. Scope, Implementation and Governance

3.1 Scope

- A. If an issuer is excluded, all investment instruments (e.g. equity, bonds, derivatives on respective companies) issued by that party are in scope.
- B. Robeco follows the methodology of its data vendors with regard to the exclusion of related entities of an excluded issuer.
- C. Robeco has the discretion to exclude additional companies that it considers involved in an exclusion category or waive the exclusion of securities from an involved company for funds on product-specific grounds. This will be determined on a case-by-case basis.
- D. The exclusion policy is applicable to all assets under management from all funds over which Robeco has full discretion, including those funds sub-advised by other managers, but excluding discretionary mandates and client-specific funds. For discretionary mandates and client specific funds, Robeco will only apply restrictions following applicable sanctions, rules and regulations, including the application of the Good governance exclusion list to discretionary mandates classified as Article 8 and 9 products under SFDR. In addition, Robeco can apply further restrictions and/or implement any exclusion list if agreed with a client.
- E. The exclusion policy does not apply to the holdings of external products, like index derivatives, third party funds and trackers.

However, in the due diligence process for instruments used by Robeco's fund-of-fund products, the exclusion standards of these instruments are taken into account.

- F. If the excluded bonds are part of a benchmark of a fund that Robeco manages, Robeco allows portfolio managers to mimic the currency exposure of that country up to the benchmark level.

3.2 Implementation

3.2.1 Practical guidelines used for implementation

- A. Robeco's first and main responsibility is to serve the interests of its clients to the best of its ability.
- B. Exclusion of companies from Robeco's investment funds as a result of the exclusion policy are not expected to significantly alter the risk- return profile of these funds. Therefore, the securities on the list of excluded companies that are removed from Robeco's investment funds will not be excluded from the benchmarks against which these funds are managed. The total weight of benchmark constituents restricted by the exclusion policy categories per fund is provided in the appendix of www.robeco.com/docm/docu-exclusion-list.pdf.
- C. Robeco aims to perform a general update of the restricted lists following its exclusion policy twice a year. In between, interim changes might occur.
- D. Unless sanctions stipulate specific timelines, exclusions apply within three months after the announcement. Matters related to individual exclusions, like a request for an enhanced engagement or waiver, are decided upon within these three months. Possible exceptions on product specific grounds with respect to controversial behavior exclusions are decided upon within one month.
- E. If selling is not possible for liquidity reasons, then buying is not allowed. Once selling is possible at a reasonable price, holdings will be sold.

3.2.2 Data sources

Robeco relies primarily on external data vendors to screen issuers for compliance with our exclusion policy. We acknowledge that the ESG data landscape is still in its nascency, in spite of the substantial recent growth of attention and demand. Further information on the data sources used and measures taken to ensure data quality can be found on www.robeco.com/docm/docu-robeco-sfdr-data-disclosures.pdf.

3.2.3 Transparency

Robeco is transparent regarding the companies and countries it excludes. Each time Robeco performs a general update of the exclusion lists according to its policy, these are published on www.robeco.com/docm/docu-exclusion-list.pdf. Please note that interim changes not reflected in this document might occur. Additionally, the lists are for information purposes only. We refer to our disclaimers for details on how they can and cannot be used.

3.3 Governance

The Sustainability and Impact Strategy Committee (SISC) of Robeco, which includes representatives of the the Robeco Executive Committee (ExCo) and second line departments, decides on the implementation of and/or changes to the exclusion policy. The SISC also decides on the additions to and/or deletions from the exclusion policy lists. The ExCo is the ultimate decision body for material changes to the exclusion policy.

The SISC has delegated the execution of the behavior-based exclusions to a dedicated Controversial Behavior Committee (CBC), that includes representatives of the ExCo and second line departments. Based on the cases brought forward, the CBC decides on additions to and/or deletions from the exclusion lists for the behavior-based categories. Furthermore, the CBC has the mandate to decide on all enhanced engagement cases and the related exclusions and matters related to the datapoints for individual exclusions.

Please visit the Robeco website
for more information