

ROBECO
The Investment Engineers

19

Robeco Sustainable Global Stars Equities Fund N.V.

Formerly (Robeco Global Stars Equities Fund N.V.)

**Investment company with variable capital incorporated under Dutch law
Undertaking for Collective Investment in Transferable Securities
Chamber of Commerce registration number 24041906**

**Unaudited Semi-Annual Report
1 January to 30 June 2019**

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Robeco Sustainable Global Stars Equities Fund N.V.

(investment company with variable capital, having its registered office in Rotterdam, the Netherlands)

Contact details

Weena 850
PO Box 973
NL-3000 AZ Rotterdam
Telephone +31 (0)10 - 224 12 24
Internet: www.robeco.com

Management board (and manager)

Robeco Institutional Asset Management B.V. ('RIAM')
Policymakers RIAM:
Gilbert O.J.M. Van Hassel
Karin van Baardwijk
Monique D. Donga (until 1 July 2019)
Peter J.J. Ferket
Martin O. Nijkamp
Mark C.W. den Hollander (since 24 June 2019)
Hans-Christoph von Reiche
Victor Verberk

Supervisory directors of RIAM:

Jeroen J.M. Kremers
Sonja Barendregt-Roojers
Yoshiko Fujii
Radboud R.L. Vlaar

Custodian

J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch
Strawinskylaan 1135,
NL-1077 XX Amsterdam

Fund managers

Jan Keuppens
Michiel Plakman

Fund agent and paying agent

ING Bank N.V.
Bijlmerplein 888,
NL-1102 MG Amsterdam

Auditor

KPMG Accountants N.V.
Papendorpseweg 83
NL-3528 BJ Utrecht

Report by the manager

General information

Legal aspects

Robeco Sustainable Global Stars Equities Fund N.V. (the 'fund') is an investment company with variable capital established in the Netherlands. The fund is an Undertaking for Collective Investment in Transferable Securities (UCITS), as referred to in Section 1:1 of the Dutch Financial Supervision Act (hereinafter: 'Wft') and the Council Directive for Investment Institutions dated 23 July 2014 (Directive 2014/91/EU, 'UCITS V'). UCITS have to comply with certain restrictions to their investment policy in order to protect investors.

Robeco Institutional Asset Management B.V. ('RIAM') manages the fund. In this capacity, RIAM handles the asset management, risk management, administration, marketing and distribution of the fund. RIAM holds an AIFMD license as referred to in Section 2:65 Wft, as well as a license to manage UCITS as referred to in Section 2:69b 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').

The assets of the fund are held in custody by J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch. J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch is appointed as the custodian of the fund as referred to in Section 4:62n Wft. The custodian is responsible for supervising the fund insofar as required under and in accordance with the applicable legislation. The manager, the fund and J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch have concluded a custody agreement.

The fund is subject to statutory supervision by the AFM. The fund is entered in the register as stated in Section 1:107 Wft.

Robeco

When 'Robeco' is mentioned it means RIAM as well as the activities of other companies that fall within the scope of Robeco's management.

Outsourcing some of the operational activities to J.P. Morgan

Early 2018, Robeco announced that it would be outsourcing part of its operations and administration activities to J.P. Morgan. The decision to outsource is part of the Robeco's strategic plan for the 2017-2021 period, which envisages further international growth in both investment and client servicing activities. In the course of 2018, J.P. Morgan became Robeco's service provider for fund accounting, operations, custody, depositary and securities lending, in two phases. In April 2019, J.P. Morgan also became Robeco's transfer agent for all funds.

Name change

Following to a decision of the General Meeting of Shareholders, the articles of association of the fund were changed as per 1 July 2019. Main change was the change of the name of the fund from Robeco Global Stars Equities Fund N.V. to Robeco Sustainable Global Stars Equities Fund N.V.

Share classes

The ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The series include the following share classes:

Share class A: Robeco Sustainable Global Stars Equities Fund

Share class B: Robeco Sustainable Global Stars Equities Fund - EUR G.

The management fee for the Robeco Sustainable Global Stars Equities Fund - EUR G share class (without distribution fee) is lower than for the Robeco Sustainable Global Stars Equities Fund share class.

Attribution to share classes

The administration of the fund is such that attribution of the results to the different share classes takes place on a daily basis and pro rata. Issues and repurchases of own shares are registered per share class. The differences between the various share classes are explained in notes 8, 10 and 13 to the financial statements.

Tax features

On the basis of Section 28 of the Dutch Corporation Tax Act, the fund has the status of a fiscal investment company. This means that 0% corporate income tax is due, providing that, after deducting 15% in Dutch dividend tax, the fund makes its profit available for distribution to shareholders in the form of dividend within eight months of the close of the financial year and satisfies any other relevant regulations.

Report by the manager (continued)

General information (continued)

Liquidity of ordinary shares

The fund is an open-end investment company, meaning that, barring exceptional circumstances, it issues and repurchases ordinary shares on a daily basis at prices approximating net asset value, augmented or reduced by a limited surcharge or discount. The only purpose of this surcharge or discount is to cover the costs incurred by the fund for the entry and exit of investors. The maximum current surcharge or discount is 0.35%. The surcharges and discounts are recognized in the profit and loss account.

The Robeco Sustainable Global Stars Equities Fund share class is listed on Euronext Amsterdam¹, Euronext Fund Service segment. In addition, the fund is listed on the stock exchanges of Berlin, Dusseldorf, Frankfurt, Hamburg, Luxembourg, Munich, Vienna and Zurich.

The Robeco Sustainable Global Stars Equities Fund - EUR G share class is listed on Euronext Amsterdam¹, Euronext Fund Service segment.

¹ Depending on the distributor, investment may be made in Robeco Global Stars Equities Fund or Robeco Global Stars Equities Fund - EUR G.

Key investor information and prospectus

A prospectus and a key investor information document with information on the product and its associated costs and risks are available for Robeco Sustainable Global Stars Equities Fund N.V. Both documents are available free of charge at the fund's offices and at www.robeco.com.

Information for investors in the respective countries

The information below applies only to investors in the respective countries.

Representative and paying agent in Switzerland

ACOLIN Fund Services AG, Affolternstrasse 56, CH-8050 Zürich, is the fund's representative in Switzerland. Copies of the Key Investor Information, the Prospectus, Articles of Association, annual and semi-annual reports, and a list of all purchases and sales in the fund's securities portfolio during the reporting period are available from the above address free of charge.

UBS Switzerland AG, Bahnhofstrasse 45, CH-8001 Zurich, is the fund's paying agent in Switzerland. Postal address: Badenerstrasse 574, Postfach, CH-8098 Zürich.

Representative and paying agent in Germany

State Street Bank GmbH - Frankfurt Branch (Agent Fund Trading), Solmsstrasse 83, D-60486 Frankfurt am Main is the fund's appointed paying agent in Germany. The information address for Germany is Robeco Deutschland, Taunusanlage 17, D-60325 Frankfurt am Main. The prospectus, the Articles of Association and the annual and semi-annual reports may be obtained free of charge from the information address. The prices at which shares are bought and sold are published on www.robeco.de.

Financial services in Belgium

CACEIS Belgium N.V., Havenstraat 86C Bus 320, 1000 Brussels, is appointed as financial services provider in Belgium. The most recent periodic reports, the prospectus and the Key Investor Information and other information about the fund are available from them in Dutch and English.

Translations

This report is also published in Dutch and German. Only the original version published in Dutch is legally valid.

Report by the manager (continued)

Key figures per share class

Overview 2015 – 2019

Robeco Sustainable Global Stars Equities Fund	2019 ¹	2018	2017	2016	2015	Average
Performance in % based on:						
- Market price ^{2,3}	6.9	-4.4	12.1	6.7	8.0	-2.2
- Net asset value ^{2,3}	5.4	-3.5	12.0	6.3	7.8	-2.0
MSCI World Index ⁴	9.6	-4.1	7.5	10.7	10.4	1.1
Dividend in euros ⁵	-	1.00	1.00 ⁷	1.00	1.20 ⁷	
Total net assets ⁶	1.2	1.1	1.3	1.4	1.6	

Robeco Sustainable Global Stars Equities Fund - EUR G	2019 ¹	2018	2017	2016	2015	Average
Performance in % based on:						
- Market price ^{2,3}	7.6	-3.9	12.7	7.2	8.5	-1.3
- Net asset value ^{2,3}	6.1	-3.0	12.5	6.8	8.3	-1.1
MSCI World Index ⁴	9.6	-4.1	7.5	10.7	10.4	1.1
Dividend in euros ⁵	-	1.00	1.00	1.00	1.00	
Total net assets ⁶	1.4	1.3	1.4	1.4	1.4	

¹ Concerns the period from 1 January through 30 June 2019.

² Possible differences between the performance based on market price and on net asset value are caused by the fact that the last market price of the reporting period and the net asset value are determined at different times. The last market price of the reporting period is the price on the last market day of the reporting period and uses the price data at 06:00h. The net asset value is based on the valuation figures from the close of trading on that same day.

³ Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

⁴ Currencies have been converted at rates supplied by World Market Reuters.

⁵ The dividend relates to the reporting year mentioned and is distributed in the following year

⁶ EUR x billion.

⁷ In order to meet the tax distribution obligation, a revised dividend proposal for the Robeco Sustainable Global Stars Equities Fund asset class was submitted to the General Meeting of Shareholders (GMS).

General introduction

Economy

The US is now enjoying the longest post-WW2 economic expansion, recently surpassing the 1991-2001 expansion of the US economy that came to an end by the bursting of the IT bubble. US economic growth in the first quarter remained above trend at a 3.2% pace corrected for inflation. However, the expansion in the global economy at large is losing momentum, with a key institution as the IMF now downgrading global economic growth from 3.6% in 2018 to 3.3% for 2019. Continuing trade tensions between the US and China, credit tightening in China, disruptions in the auto sector in Germany and broad based political uncertainty contributed to a slowdown of the pace of economic activity in the first half of 2019.

A swift and all-encompassing resolution to the trade dispute between the current US administration and China has remained out of sight, though a truce has been struck between the parties involved at the latest G20 meeting in Osaka. Especially the global manufacturing sector struggles as trade tensions and increasing barriers to trade impact global supply chains. World trade activity has shifted into a lower gear as world trade volumes declined compared to the second half of 2018.

In response to weaker macro-economic data and lingering geopolitical tensions, central banks have made a U-turn in their policy stance and shifted their forward guidance to a dovish stance in order to safeguard the expansion. Financial markets are currently expecting the US central bank to cut interest rates by almost 1% over the next 12 months. We believe markets may have priced in too many rate cuts by the Fed as the US domestic economy itself remains fairly robust. However, a continued loss of momentum of global activity could trigger a synchronized policy rate easing effort by major central banks in the second half of 2019.

Report by the manager (continued)

General introduction (continued)

Outlook for the equities markets

Equity markets clearly welcomed the dovish turn by central banks, notably the Fed. The MSCI World index in euro already generated a 17.4% return in the first half of 2019, well above historical average equity returns on an annual basis. We believe the path for equities in the remainder of the year will prove challenging, despite central banks providing excess liquidity. Turbulence may be ahead, as it remains uncertain whether a substantial trade deal is achievable between the US and China and whether Europe will escape tariffs from the US on its exports. In absence of a deal, political uncertainty will stay elevated and corporate earnings delivery dismal. Actual global earnings expectations by analysts for 2019 are modest at 7.3% (y-o-y). Equity valuations have increased as discount rates have fallen, with the US equity market looking particularly expensive. The US cyclically-adjusted price earnings ratio (CAPE) is now at 30.2, a valuation level only seen in the late 1990's. This is confirmed by other valuation metrics like Tobin's Q (market value divided by replacement value of the firm) and the Buffet indicator (market capitalization S&P500 divided by nominal US GDP), as both indicators are well above historical averages. Despite elevated valuation levels from an absolute point of view, equities are still offering a decent risk premium compared to less risky alternatives like government bonds.

Investment policy

Introduction

The fund is a globally invested equity fund that has been in existence since 1929, making it one of the oldest existing investment companies in the Netherlands.

Investment objective

The fund's objective is to offer clients a well-diversified global equity portfolio with the aim of generating higher returns than the index, the MSCI World Index.

Implementation of the investment policy

We added Neste to our Energy holdings. The Finnish refiner is the largest producer of renewable fuel which provides the company with very nice growth opportunities at high returns. In the Materials sector we sold out of Rio Tinto. The tragic collapse of a dam in Brazil resulted in materially higher iron ore prices which will decline eventually when the supply normalizes. In the Industrial sector we disposed of Knorr Bremse. This high quality producer of brakes for both rails and trucks benefits from the worldwide infrastructure spending on rails. However, the cyclical risk in trucks is underestimated and we are seeing first signs of this rolling over. In Consumer Staples, a sector which ran up sharply this year due to lower long term yields, we sold Pernod Ricard and bought Nestlé. The business at Pernod Ricard improved dramatically in the last few years since we bought them. The US operations are gaining share again, both the Indian and Chinese business is growing at double digits and the free cash flow generation improved strongly. While we acknowledge these improvements we see more upside in Nestlé. The Swiss food giant is still in its transformation period of the new management team. Both topline and margins are rising again.

In Healthcare we added Eli Lilly, increased Abbvie and sold Biogen. The latter failed on its promising Alzheimer drug development. The price reaction to this optionality surprised us and we see better value in Abbvie. Abbvie dropped 16% as the acquisition of Allergan was not liked by the markets, at first sight. With the sell off and the accretion of 20%, the stock became 36% cheaper which was too good to be true. Eli Lilly is one of the better positioned healthcare companies with very limited patent expiries and strong free cash flow growth.

During the first half we sold the balance sheet financials such as Citigroup and ING and reduced several cyclical Technology holdings such as Broadcom, Apple and Nvidia. The former financials were sold despite an attractive dividend yield. However with the continued dovish behavior of central banks and with more than 12 trillion of negative yielding debt around the world the economic model of banks is under severe pressure and earnings will continue to come down. We reduced the tech stocks as a consequence of the trade war with Huawei being banned from doing business with US companies.

Currency policy

The currency policy is based on maintaining the currency exposure in line with the index, with only minor deviations from it. For further quantitative information on currency risk we refer to the information on currency risk provided on page 15.

Policy on derivatives

In compiling the portfolio for Robeco Sustainable Global Stars Equities Fund N.V., individual stocks form our starting point (bottom-up selection process). Our stock selection forms the basis for allocation to regions and countries. A top-down check is then performed on this allocation to regions and countries to establish whether the allocation is in line with the investment outlook for these countries and regions and/or the risks involved. The weights for regions and countries can be adjusted during this process with the aid of futures.

Report by the manager (continued)

Investment result

Investment result per share class

Share class	Price in EUR x 1 30/06/2019	Price in EUR x 1 31/12/2018	Dividend paid in June 2019 ¹	Investment result in reporting periods in % ²
<i>Robeco Sustainable Global Stars Equities Fund</i>			1.00	
- Market price	40.54	35.34		16.3
- Net asset value	40.56	35.44		17.0
<i>Robeco Sustainable Global Stars Equities Fund - EUR G.</i>			1.00	
- Market price	43.77	38.00		16.6
- Net asset value	43.80	38.11		17.3

¹ Ex-dividend date.

² Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

The fund enjoyed a strong absolute performance but lagged the index at the end of the reporting period. The first half of 2019 was in sharp contrast with 2018. The market rally was all about multiple expansion while 2018 was all about earnings growth. This was not the case this year as the slowing global economic growth, as a consequence of the trade wars, put downward pressure on earnings. The strong performance in Technology, Materials and Industrials was offset by Healthcare and Energy. Especially Biogen and Halliburton sold off. The equity bull market is becoming very narrow with the top 5 stocks contributing almost a third of the performance with Microsoft, our biggest holding, making that claim for the seventh year in a row. We continue to be very selective but act fast when opportunities arise. The advanced ESG integration further improves the risk return equation of the portfolio.

Return and risk

The tracking error is a frequently used measure to gauge portfolio risk. It indicates the degree to which positions in the portfolio can diverge from those in the index. The tracking error for the fund was 1.7% over the year.

Another measure used is the active share of the portfolio, the active risk. This is the part that diverges from the index. For instance, if Royal Dutch Shell has a weight of 4% in the index and a weight of 1.5% in the Robeco portfolio, the active part for this position is 2.5%. The fund had an active share of 86% at the end of 2018. In comparison: an index-tracking fund, or ETF, that follows the index has an active share of 0%.

A third measure of risk is the portfolio's beta, a means of gauging the degree to which the portfolio moves along with the market. A portfolio with a beta above 1 is subject to greater fluctuations than the market. The fund's beta came to 0.95 at the end of the year, thus slightly less than 1. Clearly, the value of beta does not represent a goal in itself but rather results from the stocks selected for the portfolio. The fund has a long-term investment horizon of three to five years: we buy stocks that we expect to remain in the portfolio for an average of three to five years. In 2018 the fund's portfolio turnover was 59% (double counting). In other words, around a third of the portfolio holdings changed. This is in line with our investment horizon.

Remuneration policy

The fund itself does not employ any personnel and is managed by RIAM. In the Netherlands, persons performing duties for the fund at management-board level and portfolio managers are employed by Robeco Nederland B.V. The remuneration for these persons comes out of the management fee. RIAM's remuneration policy, that applies to all staff working under RIAM's responsibility, meets the applicable requirements of the European frameworks of the AIFMD, MiFID, the UCITS Directive, the ESMA guidelines for a responsible remuneration policy under the UCITS Directive, as well as the Dutch Remuneration Policy (Financial Enterprises) Act (Wet belongingsbeleid financiële ondernemingen). The remuneration policy has the following objectives:

- To stimulate employees to act in the best interests of clients and avoid taking undesirable risks.
- To promote a healthy corporate culture, with a strong focus on sustainable results in accordance with the long-term objectives of RIAM and its stakeholders.
- To attract and retain good staff and to reward talent and performance fairly.

Responsibility for the remuneration policy

The Supervisory board of RIAM supervises the correct application of the remuneration policy and is responsible for the annual evaluation. Changes in the remuneration policy have to be approved by the Supervisory board of RIAM. The Nomination & Remuneration Committee of the Supervisory Board of RIAM provides advice to the Supervisory board of RIAM in the execution of these tasks, with the involvement of the HR Department and the relevant internal control officers. In the application and evaluation of the remuneration policy, RIAM regularly makes use of the services of various external advisers. The remuneration of fund managers consists of a fixed component and a variable component.

Report by the manager (continued)

Remuneration policy (continued)

Fixed remuneration

The fixed salary of each employee is based on his/her role and experience and is in accordance with the RIAM salary ranges, which have also been derived from benchmarks in the investment management sector. The fixed salary is therefore in line with the market and the employees are not dependent on whether or not they receive a variable remuneration.

Variable remuneration

In accordance with the applicable laws and regulations, the available budget/pool for variable remuneration is approved in advance by the Supervisory board of RIAM based on a proposal made by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. The total budget/pool is based, in principle, on a percentage of RIAM's operating result. In order to ensure that the total variable remuneration accurately reflects the performance of RIAM and the funds that it manages, when determining the budget/pool, a correction is made for risks that may occur in the year concerned and furthermore for multiple-year risks that may affect the risk profile of RIAM.

The variable remuneration component for the fund managers depends on the multi-year performance of the fund. The system is linked to outperformance with regard to risk-adjusted pre-determined annual targets. The calculated outperformance over a one-year, three-year and five-year period is taken into account when determining the variable remuneration. Also important in this determination are behavior, the extent to which team- and individual qualitative and predetermined objectives have been achieved and the extent to which Robeco corporate values are observed. The fund manager's contribution to the various organizational objectives is also taken into consideration. Poor performance, unethical or non-compliant behavior lead to the allocation of a lower or even no variable remuneration at all. For the senior fund manager, the Identified Staff regime also applies (see below).

Identified Staff

RIAM has a specific and more stringent remuneration policy for employees who may have a material impact on the risk profile of the fund. These employees are designated to be 'Identified Staff'. For 2018, in addition to the Management Board, RIAM has designated 94 other employees as Identified Staff, including all senior portfolio managers, senior management and the heads of the control functions (HR, Compliance, Risk Management, Business Control, Internal Audit and Legal). Among other things the performance targets of these employees that are used to determine the award of variable pay are subject to additional risk analyses, both prior to the performance year and at the end when the results are evaluated. In addition, in all cases at least 70% of the payment of variable remuneration granted to these employees will be deferred for a period of four years, and 50% will be converted into hypothetical "Robeco" shares whose value will follow the company's future results.

Risk control

RIAM has implemented additional risk management measures with regard to the variable remuneration. For instance, RIAM has the possibility with regard to all employees to reclaim the granted variable remuneration ('claw-back') when this has been based on incorrect assumptions, fraudulent acts, serious improper behavior, serious neglect of duties or behavior that has resulted in a considerable loss for RIAM. After the granting but before the actual payment of the deferred variable remuneration components to Identified Staff, an additional assessment is performed to check whether new information would result in decreasing the previously granted remuneration components (the so-called 'malus arrangement'). The malus arrangement can be applied because of (i) misconduct or a serious error of judgement on the part of employees (ii) a considerable deterioration of RIAM's financial results that was not foreseen at the time the remuneration was granted (iii) a serious violation of the risk management system, leading to changed circumstances compared with the granting of the variable remuneration or (iv) evidence that a fraudulent act has been committed by the employee concerned or v) behavior that results in considerable losses.

Annual assessment

RIAM's remuneration policy and the application thereof was evaluated in 2018 under the responsibility of the Supervisory board of RIAM, advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. As a result of Robeco's strategy 2017-2021, certain (non material) changes have been made to the remuneration policy to support a high performance culture.

Sustainable investing

Sustainable investing is one of the main pillars of Robeco's strategy and is firmly anchored in our investment convictions. We are convinced that including ESG¹ factors leads to better investment decisions. We are also convinced that exercising our voting rights and engaging in a dialogue with companies have a positive effect on the investment result and society in general. During H1 2019, we made every effort to further stimulate Sustainable investing at Robeco and beyond.

All Robeco's investment activities comply with the United Nations Principles for Responsible Investing (UNPRI). In 2019, Robeco was awarded an A+ for most of the modules that were assessed as part of the UN Principles for Responsible Investment (UN PRI) 2019 report. This was the sixth year in a row that Robeco obtained the highest score for the majority of the modules assessed by UNPRI. Responsibility for implementing Sustainable investing lies with the Head of Investments, who also has a seat on Robeco's Executive Committee.

¹ ESG is the abbreviation of 'Environmental, Social and Governance', which refers to factors relating to the environment, society and corporate governance.

Report by the manager (continued)

Sustainable investing (continued)

Focus on stewardship

Fulfilling our responsibilities in the field of stewardship forms an integral part of Robeco's approach to Sustainable investing. A core aspect of Robeco's mission is fulfilling our fiduciary duties towards our clients and beneficiaries. Robeco manages investments for a variety of clients with different investment needs. We always strive in everything we do to serve our clients interests to the best of our ability.

In our view, the fact that more and more stewardship codes are being introduced around the globe is a positive development, and we are strong advocates of active ownership. For this reason we publish our own stewardship policy on our website. This policy describes how we deal with possible conflicts of interest, how we monitor the companies in which we invest, how we conduct activities in the field of engagement and voting, and how we report on our stewardship activities.

To mark our strong commitment to stewardship, we have become signatories to many different stewardship codes. In 2018 Eumedion, the Dutch governance platform for institutional investors, published a Dutch stewardship code. Robeco was a participant in the working group that wrote this code. In previous years we became signatories to the stewardship codes of the United Kingdom, Japan and Brazil. In addition, Robeco a.o. meets the Taiwanese Stewardship Principles for Institutional Investors, the US ISG stewardship principles, the Principles for Responsible Ownership in Hong Kong, Singapore Stewardship Principles and the Korean Stewardship Code.

Contributing to the Sustainable Development Goals

Robeco is a signatory in the Netherlands to the Sustainable Development Goals Investing Agenda. To help our customers contribute to the objectives, we worked on analyzing the SDG² contribution of companies and developing SDG investment solutions. Currently multiple solutions are available both in equity and fixed income.

Furthermore, Robeco contributes to the SDGs by integrating ESG factors in its decision-making process for investments and encourages companies to act in support of these goals by means of a constructive dialogue. The SDGs are continually considered during the engagement and voting activities. These therefore present the opportunity to emphasize the effect that engagement can have on society. Robeco's Active Ownership team would like new themes to always be directly linked to at least one of the goals. In 2019 we started engaging with companies for example on Palm Oil, directly linked to SDG 12 and 15, with a clear objective to improve RSPO certification and mitigate deforestation.

² Sustainable Development Goals

ESG integration by Robeco

Sustainability can bring about changes in markets, countries and companies in the long term. And since changes affect future performance, ESG factors can in our view add value to our investment process. We therefore look at these factors in the same way as we consider a company's financial position or market momentum. We have research available from leading sustainability experts, including our sister company RobecoSAM. For its analysis, this company makes use of the comprehensive Corporate Sustainability Assessment (CSA), which takes into account general and sector-specific sustainability criteria. The investment analysis focuses on the most material ESG factors and the connection with the financial performance of a company. We can then focus on the most relevant information in performing our investment-analysis and can reach enhanced investment decisions. Besides integrating ESG, Active Ownership and exclusions into all of our investment processes, in 2019 we continued developing new sustainable investment funds with specific sustainable goals and criteria.

Exclusion

Robeco pursues an exclusion policy for companies that are involved in the production of or trade in controversial weapons such as cluster munition and anti-personnel mines, for tobacco companies and for companies that seriously and habitually violate either the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. Exclusion is the last resort for this last category, which should only be applied after a failed dialogue with the company regarding improvement of its poor ESG practices. Robeco evaluates the practices of excluded companies at least once a year and can at any time decide to include a company in its investment universe again if that company can demonstrate that the desired improvements have been made and the violation of the Global Compact or OECD Guidelines no longer exists. Robeco publishes its exclusion policy and the list of exclusions on its website. In 2019 Robeco developed a palm oil policy. Robeco considers the production of palm oil a process with significant environmental and social risks, leading to breaches of the UN Global Compact when this product is not produced sustainably. Listed companies that have less than 20% of their plantations certified to sustainability standards are excluded from fund investments. Other palm oil producing companies are part of an engagement program where Robeco requires them to make progress towards full RSPO certification and addresses potential controversies and breaches of the UN Global compact.

Report by the manager (continued)

Sustainable investing (continued)

Active ownership

Constructive and effective activities under active ownership encourage companies to improve their management of risks and opportunities in the field of ESG. This in turn establishes a better competitive position and improved profitability and moreover has a positive impact on the community. Active ownership involves voting and engagement. Robeco exercises its voting rights for the shares in its investment funds all over the world. In addition, Robeco enters into an active dialogue with the companies in which it invests on questions concerning the environment, society and corporate governance. In 2019, our activities towards achieving active ownership were again awarded the highest score (A+) under the Principles for Responsible Investment (PRI). Robeco has Active Ownership specialists in both Rotterdam and Hong Kong. In 2018 Robeco engaged with over 200 companies on different issues ranging from corporate governance to data privacy to climate change. The primary focus of this engagement is to address strategic ESG issues that might affect value creation in the long term.

Voting

In 1998, Robeco started voting for its investment funds and on behalf of its institutional clients. The votes are cast by specialized voting analysts in the Active Ownership team. We attend several shareholder meetings ourselves, but in most cases we cast our votes electronically. Our voting activities are published shortly after the shareholders' meetings on our website, in line with best practice regarding voting transparency.

Our extensive voting policy is based on 20 years of experience and insight, and we anticipate the specific policy requests of our mandates if necessary. We vote at all meetings where this is possible. In practice, we only refrain from voting in the event of share blocking. In such cases, we assess the importance of the meeting and the influence of our positions on the voting.

Our voting policy and our analysis are based on the internationally accepted principles of the International Corporate Governance Network (ICGN) and on local directives. These principles constitute an extensive framework for assessing the corporate governance practices of companies. They also provide sufficient latitude for companies to be assessed on the basis of local standards, national legislation and codes of conduct for corporate governance. In our assessment we take into account company-specific circumstances.

Important decisions are taken in close consultation with the portfolio managers and the analysts in Robeco's investment teams and with our engagement specialists. The information we receive during shareholders' meetings is taken into account in our engagement activities and in the investment process followed by the Robeco funds.

With regard to the Robeco Sustainable Global Stars Equities Fund N.V. we voted at 32 shareholder meetings. At 22 (69%) of 32 meetings, we cast at least one vote not in line with the management's recommendation.

Engagement

Since as early as 2005, we have encouraged management board members from the companies in which we invest to practice good corporate governance and to strive to achieve an environmentally and socially friendly policy. The aim of our engagement is to increase shareholder value in the long term and to achieve a positive impact on society. For Robeco, engagement and voting are important elements for achieving a successful integrated strategy for Sustainable investing that will lead to enhanced investment decisions and can improve the risk/return profile of our portfolios.

For our engagement activities we use a focused approach in which we enter into a constructive dialogue with a relevant selection of companies in which we invest. This dialogue deals with ESG factors such as quality of management, human rights and management of environmental risks. We differentiate between two types of engagement: the proactive Value Engagement approach and the Enhanced Engagement approach following a violation of the principles of the UN Global Compact and OECD Guidelines for Multinational Enterprises.

Our Value Engagement activities focus on a small number of sustainability themes with the greatest potential for value creation for the companies in which we invest. We select these themes on the basis of financial materiality by carrying out a baseline measurement and formulating engagement profiles for the companies we enter into a dialogue with. We select new engagement themes in close consultation with engagement specialists, portfolio managers and analysts, who work together closely throughout the dialogue. We give priority to companies in Robeco's portfolios with the greatest exposure to the selected engagement theme.

Our Enhanced Engagement program focuses on companies whose actions conflict seriously and systematically with the principles of the United Nations Global Compact (UNGC) in the field of human rights, labor, the environment and anti-corruption and OECD Guidelines for Multinational Enterprises. With this program we try to exert an influence on these companies to persuade them to act in accordance with the UNGC principles and OECD Guidelines. Our engagement normally lasts three years, during which time we hold regular meetings and conference calls with representatives from the company and monitor progress made on the engagement objectives.

If an Enhanced Engagement dialogue does not lead to the desired result, Robeco can exclude this company from Robeco's investment universe. The Enhanced Engagement process is a formal part of Robeco's exclusion policy.

Report by the manager (continued)

Sustainable investing (continued)

Engagement (continued)

In the case of Robeco Sustainable Global Stars Equities Fund N.V., we entered into a dialogue with 9 companies in the Value Engagement program.

Integration of ESG factors in investment processes

ESG factors give sustainability context. ESG stands for Environmental (world around us), Social (relating to a company as employer) and Governance (relating to the structure of executive management). We believe that sustainable investing improves the risk-return profile of a portfolio. Taking into account information in the field of the environment, society and good governance provides extra insight based on which well-founded investment decisions can be taken. Companies that take the environment, society and good corporate governance into account will in the long term come out as winners. Ignoring ESG factors leads to reputation and financial risks.

As ESG integration has been part of the fundamental investment processes for a few years, we did not make profound changes to our ESG frameworks in the first half of 2019. We did see the ESG score of the portfolio continue to improve in the first half of 2019.

Rotterdam, 30 August 2019

The Manager

Semi-annual figures

Balance Sheet

		30/06/2019	31/12/2018
Before profit appropriation	Notes	EUR' 000	EUR' 000
ASSETS			
Investments			
Equities	1	2,546,659	2,236,227
Derivatives	2	2,171	5,283
Total investments		2,548,830	2,241,510
Accounts receivable			
Receivables on collateral provided	3	–	450
Other receivables, prepayments and accrued income	4	38,318	6,161
Total accounts receivable		38,318	6,611
Other assets			
Cash and cash equivalents	5	96,452	140,464
LIABILITIES			
Investments			
Derivatives	2	1,393	5,936
Accounts payable			
Other liabilities, accruals and deferred income	6	44,362	5,364
Total accounts payable		44,362	5,364
Accounts receivable and other assets less accounts payable		90,408	141,711
Assets less liabilities		2,637,845	2,377,285
Composition of shareholders' equity			
Issued capital	7,8	62,445	64,580
Other reserve	7	2,164,878	2,389,834
Undistributed earnings	7	410,522	(77,129)
Shareholders' equity		2,637,845	2,377,285

The numbers of the items in the financial statements refer to the numbers in the Notes.

Semi-annual figures (continued)

Profit and loss account

	Notes	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Investment income	9	32,645	34,380
Unrealized gains	1,2	373,390	164,860
Unrealized losses	1,2	(96,257)	(268,098)
Realized gains	1,2	163,870	182,540
Realized losses	1,2	(52,061)	(52,575)
Receipts on surcharges and discounts on issuance and repurchase of own shares		113	182
Total operating income		421,700	61,289
Costs			
Management fee	10	9,554	9,621
Service fee	10	1,505	1,501
Other costs	12	119	178
Total operating expenses		11,178	11,300
Net result		410,522	49,989

The numbers of the items in the financial statements refer to the numbers in the Notes.

Cash flow statement

	Notes	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Cash flow from investment activities		109,269	52,925
Cash flow from financing activities		(151,724)	(130,733)
Net cash flow		(42,455)	(77,808)
Currency and cash revaluation		(1,557)	2,392
Increase (+)/decrease (-) cash	5	(44,012)	(75,416)

The numbers of the items in the financial statements refer to the numbers in the Notes.

Notes

General

The semi-annual financial statements have been drawn up in conformity with Part 9, Book 2 of the Dutch Civil Code and the Wft. The fund's financial year is the same as the calendar year. The notes referring to fund shares concern ordinary shares outstanding.

The original financial statements were drafted in Dutch. This document is an English translation of the original. In the case of any discrepancies between the English and the Dutch text, the latter will prevail.

The ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The fund includes the following share classes:

Robeco Sustainable Global Stars Equities Fund N.V.
Robeco Sustainable Global Stars Equities Fund
Robeco Sustainable Global Stars Equities Fund - EUR G

Accounting principles

General

The other principles for the valuation of assets, liabilities and determination of the result are unchanged and therefore are in accordance with the presentation in the most recent annual financial statements. Unless stated otherwise, items shown in the semi-annual report are carried at nominal value and expressed in thousands of euros.

Attribution to share classes

The administration of the fund is such that attribution of the results to the different share classes takes place on a daily basis and pro rata. Issues and repurchases of own shares are registered per share class.

Risks relating to financial instruments

Investment risk

The value of investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the fund depends on developments in the financial markets and can therefore either rise or fall. Shareholders run the risk that their investments may end up being worth less than the amount invested, or even worth nothing. The general investment risk can also be characterized as market risk.

Market risk

Market risk can be divided into three types: price risk, currency risk and concentration risk. Market risks are contained using limits on quantitative risk measures such as volatility or value-at-risk. This means that the underlying risk types (price risk, currency risk and concentration risk) are also indirectly contained.

Price risk

The net asset value of the fund is sensitive to market movements. In addition, investors should be aware of the possibility that the value of investments may vary as a result of changes in political, economic or market circumstances, as well as changes in an individual business situation. The entire portfolio is exposed to price risk. The degree of price risk that the fund runs depends among other things on the risk profile of the fund's portfolio.

Currency risk

All or part of the securities portfolio of the fund may be invested in currencies, or financial instruments denominated in currencies other than the euro. As a result, fluctuations in exchange rates may have both a negative and a positive effect on the investment result of the fund. Currency risks may be hedged with currency forward transactions and currency options. Currency risks can be limited by applying relative or absolute currency concentration limits.

The portfolio includes positions in forward exchange contracts at balance-sheet date.

The table below shows the gross and net exposure to the various currencies, including cash, receivables and debts. Further information on the currency policy can be found on page 7.

Notes (continued)

Risks relating to financial instruments (continued)

Market risk (continued)

Currency risk (continued)

	30/06/2019	30/06/2019 Exposure to forward exchange contracts	30/06/2019	30/06/2019	31/12/2018
Currency exposure	Gross position EUR' 000	EUR' 000	Net position EUR' 000	% of net assets	% of net assets
AUD	–	64,327	64,327	2.44	2.70
CAD	–	84,711	84,711	3.21	3.40
CHF	166,438	(85,794)	80,644	3.06	3.30
DKK	57,268	(34,384)	22,884	0.87	0.60
EUR	525,479	(234,808)	290,671	11.02	10.24
GBP	78,175	67,201	145,376	5.51	5.98
HKD	83,083	(47,474)	35,609	1.35	1.49
JPY	4	210,373	210,377	7.97	8.52
NOK	–	6,545	6,545	0.25	0.27
SEK	27,370	(8,820)	18,550	0.70	0.52
SGD	–	15,046	15,046	0.57	0.62
TWD	440	–	440	0.02	2.11
USD	1,698,810	(36,145)	1,662,665	63.03	60.25
Total	2,637,067	778	2,637,845	100.00	100.00

All outstanding forward exchange contracts have a remaining life of less than one year.

Concentration risk

Based on its investment policy, the fund may invest in financial instruments from issuing institutions that operate mainly within the same sector or region, or in the same market. In the case of concentrated investment portfolios, events within the sectors, regions or markets in which they invest have a more pronounced effect on the fund assets than in less concentrated investment portfolios. Concentration risks can be limited by applying relative or absolute country or sector concentration limits.

There were no positions in stock index futures at balance sheet date. The table below shows the exposure to stock markets through stocks per country in amounts and as a percentage of the fund's total equity capital.

Notes (continued)

Risks relating to financial instruments (continued)

Market risk (continued)

Concentration risk (continued)

Concentration risk by country

		30/06/2019 Total exposure	30/06/2019 % of net assets	31/12/2018 % of net assets
	Equities EUR' 000	EUR' 000		
Denmark	57,032	57,032	2.16	2.04
Finland	73,186	73,186	2.77	0.91
France	117,713	117,713	4.46	8.00
Germany	78,791	78,791	2.99	2.76
Hong Kong	83,083	83,083	3.15	1.49
Ireland	139,751	139,751	5.30	6.24
Netherlands	89,312	89,312	3.39	4.97
Sweden	27,368	27,368	1.04	0.23
Switzerland	165,719	165,719	6.28	3.05
Taiwan	—	—	—	2.09
United Kingdom	187,406	187,406	7.10	11.10
United States of America	1,527,298	1,527,298	57.90	51.19
Total	2,546,659	2,546,659	96.54	94.07

The sector concentrations are shown below.

Concentration risk by sector

	30/06/2019 % of net assets	31/12/2018 % of net assets
Communication Services	17.90	13.84
Consumer Discretionary	4.38	3.86
Consumer Staples	8.39	7.07
Energy	7.92	6.60
Financials	9.60	12.39
Health Care	11.25	11.10
Industrials	11.91	11.72
Information Technology	21.63	21.00
Materials	3.56	6.49
Other assets and liabilities	3.46	5.93
Total	100.00	100.00

Counterparty risk

Counterparty risk is an unintentional form of risk that is a consequence of the investment policy. It occurs when a counterparty of the fund fails to fulfill its financial obligations arising from financial transactions with the fund. Counterparty risk is limited as far as possible by exercising an appropriate degree of caution in the selection of counterparties. In selecting counterparties, the assessments of independent rating bureaus are taken into account, as are other relevant indicators. Wherever it is customary in the market, the fund will demand and obtain collateral in order to mitigate counterparty risk. The figure that best represents the maximum credit risk is given in the table below.

	30/06/2019 EUR' 000	% of net assets	31/12/2018 EUR' 000	% of net assets
Unrealized gain on derivatives	2,171	0.08	5,283	0.22
Accounts receivable	38,318	1.45	6,611	0.28
Cash and cash equivalents	96,452	3.66	140,464	5.91
Total	136,941	5.19	152,358	6.41

No account is taken of collateral received in the calculation of the total credit risk. Counterparty risk is contained by applying limits on the exposure per counterparty as a percentage of the fund assets. As of the balance sheet date there were no counterparties with an exposure of more than 5% of the fund's total assets.

Notes (continued)

Risks relating to financial instruments (continued)

Risk of lending financial instruments

In the case of securities-lending transactions, collateral is requested and obtained for those financial instruments that are lent. In the case of securities-lending transactions, the fund incurs a specific type of counterparty risk that the borrower cannot comply with the obligation to return the financial instruments on the agreed date or to furnish the requested collateral. The lending policy of the fund is designed to control these risks as much as possible. To mitigate specific counterparty risk, the fund receives collateral prior to lending the financial instruments.

The creditworthiness of counterparties in securities-lending transactions is assessed on the basis of how independent rating agencies regard their short-term creditworthiness and on the basis of their net assets. Guarantees given by parent companies are also taken into account.

The fund accepts collateral in the form of:

- government bonds with a minimum investment grade¹ credit rating;
- bonds of supranational bodies with a minimum investment grade¹ credit rating;
- stocks listed on the main indexes of stock markets in OECD countries;
- stocks listed on the main indexes of stock markets in non-OECD countries;
- cash.

¹ Credit rating designations BBB or above are considered investment grade.

In addition, concentration limits are applied to collateral to restrict concentration risks in the collateral and there are also liquidity criteria for containing the liquidity risks in the collateral. Finally, depending on the type of lending transaction and the type of collateral, collateral with a premium is requested relative to the value of the lending transaction. This limits the negative effects of price risks in the collateral.

The table below gives an overview of the positions lent out as a percentage of the portfolio (total of the instruments lent out) and relative to the fund's assets.

Positions lent out

Type of instrument	30/06/2019			31/12/2018		
	Amount in EUR' 000	% of portfolio	% of net assets	Amount in EUR' 000	% of portfolio	% of net assets
Shares lent out	44,243	1.74	1.68	168,471	7.53	7.09
Total	44,243	1.74	1.68	168,471	7.53	7.09

The following table gives an overview of the positions lent out and the collateral received per counterparty.

All outstanding lending transactions are transactions with an open-ended term. That means that there is no prior agreement as to how long the securities are lent out and when they may be reclaimed by the fund if required.

Counterparties

	Domicile of counterparty	Manner of settlement and clearing	30/06/2019		31/12/2018	
			Positions lent out EUR' 000	Collateral received EUR' 000	Positions lent out EUR' 000	Collateral received EUR' 000
BNP Paribas	France	Tripartite ¹	561	593	–	–
Credit Suisse	Switzerland	Tripartite ¹	–	–	180	190
Deutsche Bank	Germany	Tripartite ¹	34,966	39,622	51,496	57,234
J.P. Morgan	United States	Tripartite ¹	–	–	74,996	83,372
Morgan Stanley	United States	Tripartite ¹	–	–	41,799	43,890
Skandinaviska Enskilda						
Banken AB	Sweden	Tripartite ¹	8,716	9,686	–	–
Total			44,243	49,901	168,471	184,686

¹ Tripartite means that the collateral is in the custody of an independent third party.

This collateral is not included on the balance sheet. The table below contains a breakdown of collateral received according to type. All securities received have an open-ended term.

Notes (continued)

Risks relating to financial instruments (continued)

Risk of lending financial instruments (continued)

Collateral by type

			30/06/2019	31/12/2018
	Currency	Rating of government bonds	Market value in EUR' 000	Market value in EUR' 000
Cash	DKK		–	43,890
Government bonds	EUR	Investment grade	3,324	–
Government bonds	GBP	Investment grade	644	–
Government bonds	USD	Investment grade	3,759	–
Real-estate funds listed in OECD countries	USD		582	–
Stocks listed in non-OECD countries	HKD		1,154	–
Stocks listed in non-OECD countries	USD		476	–
Stocks listed in OECD countries	CHF		1,556	–
Stocks listed in OECD countries	DKK		505	–
Stocks listed in OECD countries	EUR		8,818	12,497
Stocks listed in OECD countries	GBP		2,940	44,927
Stocks listed in OECD countries	JPY		4,116	–
Stocks listed in OECD countries	SEK		394	–
Stocks listed in OECD countries	TWD		–	71
Stocks listed in OECD countries	USD		21,633	83,301
Total			49,901	184,686

J.P. Morgan has been appointed custodian of all collateral received. The securities are managed by RIAM and are held on separate accounts per counterparty. In line with the provisions in the prospectus, the collateral received has not been reinvested.

J.P. Morgan is the intermediary for all of the fund's securities-lending transactions. As compensation for its services, J.P. Morgan receives a fee of (A) 25% of the gross income on these securities-lending transactions for loans which generates a return of 0.5% or less and (B) 10% of the gross income from these securities-lending transactions for any loans which generate a return greater than 0.5%. An external agency periodically assesses whether the agreements between the fund and J.P. Morgan are still in line with the market. The fund's revenues and J.P. Morgan & RIAM's fee are included in the following table.

Income from securities lending

	01/01/2019-30/06/2019			01/01/2018-30/06/2018		
	Gross revenues in EUR' 000	Fee paid to J.P. Morgan in EUR' 000	Net fund revenues in EUR' 000	Gross revenues in EUR' 000	Fee paid to RIAM in EUR' 000	Net fund revenues in EUR' 000
Shares lent out	52	13	39	16	5	11
Total	52	13	39	16	5	11

Liquidity risk

Liquidity risk is an unintentional form of risk that is a consequence of the investment policy. Liquidity risk occurs when financial instruments cannot be sold in a timely fashion unless additional costs are incurred. Liquidity risk can be divided into two categories: exit risk and the liquidity risk of financial instruments.

Exit risk

Exit risks occur when the fund's value is negatively affected by the exit of one or more clients, with negative consequences for existing clients. The extent to which the value of the fund can be negatively affected depends on the liquidity of the financial instruments in the portfolio, and on the concentration of clients. An exit charge is made to cover the exit costs in order to prevent exits having a negative effect on the fund.

Liquidity risk of financial instruments

The actual buying and selling prices of financial instruments in which the fund invests partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the fund cannot be quickly liquidated at a reasonable price due to a lack of liquidity in the market in terms of supply and demand.

To limit this risk, the fund invests almost entirely in financial instruments that can be traded daily, so the liquidity risk of financial instruments occurring under normal circumstances does not occur. Moreover, liquidity risks of financial instruments are contained using limits on the non-liquid portion of the securities portfolio.

Notes (continued)

Risks relating to financial instruments (continued)

Manager

Robeco Institutional Asset Management B.V. (“RIAM”) is the fund manager. In this capacity, RIAM handles the asset management, administration, marketing and distribution of the fund. RIAM holds an AIFMD license as referred to in Section 2:65 Wft. In addition, RIAM is licensed as a manager of UCITS (2:69b Wft, the Dutch Financial Supervision Act), which includes managing individual assets and giving advice on financial instruments. RIAM is subject to supervision by the Dutch Authority for the Financial Markets (Stichting Autoriteit Financiële Markten, “AFM”). RIAM has listed the fund with AFM. RIAM is a 100% subsidiary of ORIX Corporation Europe N.V. via Robeco Holding B.V. ORIX Corporation Europe N.V. is a part of ORIX Corporation.

Custodian

The assets of the fund are held in custody by J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch. J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch is appointed as the custodian of the fund as referred to in Section 4:62n Wft. The custodian is responsible for supervising the fund insofar as required under and in accordance with the applicable legislation. The manager, the fund and J.P. Morgan Bank Luxembourg S.A., Amsterdam Branch have concluded a custody agreement.

Liability of the custodian

The custodian is liable to the fund and/or the Shareholders for the loss of a financial instrument under the custody of the custodian or of a third party to which custody has been transferred. The custodian is not liable if it can demonstrate that the loss is a result of an external event over which it in all reasonableness had no control and of which the consequences were unavoidable, despite all efforts to ameliorate them. The custodian is also liable to the fund and/or the shareholders for all other losses they suffer because the custodian has not fulfilled its obligations as stated in this custodial agreement either deliberately or through negligence. Shareholders may make an indirect claim upon the liability of the custodian through the manager. If the manager refuses to entertain such a request, the shareholders are authorized to submit the claim for losses directly to the custodian.

Affiliated parties

The fund and the manager may utilize the services of and carry out transactions with parties affiliated to the fund, as defined in the BGfo, such as RIAM, Robeco Nederland B.V and ORIX Corporation. The services entail the execution of tasks that have been outsourced to these parties such as (1) securities lending, (2) hiring temporary staff and (3) issuance and repurchase of the fund’s shares. Transactions that can be carried out with affiliated parties include the following: treasury management, derivatives transactions, lending of financial instruments, credit extension, purchase and sale of financial instruments on regulated markets or through multilateral trading facilities. All these services and transactions are executed at market rates.

Notes to the balance sheet

1. Equities

A breakdown of this portfolio is given under Schedule of Investments. A sub-division into regions and sectors is provided under the information on concentration risk under the information on Risks relating to financial instruments.

Transaction costs

Brokerage costs and exchange fees relating to investment transactions are discounted in the cost price or the sales value of the investment transactions. These costs and fees are charged to the result ensuing from changes in value. The quantifiable transaction costs are shown below.

	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Equities	585	363

RIAM wants to be certain that the selection of counterparties for equity transactions (brokers) occurs using procedures and criteria that ensure the best results for the fund (best execution).

No costs for research were charged to the fund during the reporting period.

2. Derivatives

The presentation of derivatives on the balance sheet is based on the liabilities and receivables per contract.

Presentation of derivatives in the balance sheet

	Assets		Liabilities		Total	
	30/06/2019 EUR' 000	31/12/2018 EUR' 000	30/06/2019 EUR' 000	31/12/2018 EUR' 000	30/06/2019 EUR' 000	31/12/2018 EUR' 000
Forward Currency Exchange Contracts	2,171	5,283	1,393	5,936	778	(653)
Book value (fair value) at closing date	2,171	5,283	1,393	5,936	778	(653)

The breakdown of the forward exchange contracts according to currency is given under the information on currency risk under the information on risks relating to financial instruments.

3. Receivables on collateral provided

This relates to the following collateral provided to cover positions in derivatives.

4. Other receivables, prepayments and accrued income

This concerns receivables from dividends declared and not yet received, recoverable tax deducted at source, receivables from securities transactions, receivables from issuance of own shares, receivables from affiliated companies and suspense items.

5. Cash and cash equivalents

This concerns directly callable credit balances at banks and any money on call.

6. Other liabilities, accruals and deferred income

This concerns payables from securities transactions, costs due, payables due to repurchase of own shares, suspense items and management and service fees due.

Notes to the balance sheet (continued)

7. Shareholders' equity

Composition and movements in shareholders' equity

	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Issued capital Robeco Sustainable Global Stars Equities Fund		
Situation on opening date	31,350	34,327
Received on shares issued	471	560
Paid for shares repurchased	(1,753)	(1,949)
Situation on closing date	30,068	32,938
Issued capital Robeco Sustainable Global Stars Equities Fund - EUR G		
Situation on opening date	33,230	34,507
Received on shares issued	526	959
Paid for shares repurchased	(1,379)	(1,248)
Situation on closing date	32,377	34,218
Other reserves		
Situation on opening date	2,389,834	2,297,316
Received on shares issued	40,315	58,278
Paid for shares repurchased	(126,040)	(120,062)
Addition of result in previous financial year	(139,231)	253,448
Situation on closing date	2,164,878	2,488,980
Undistributed earnings		
Situation on opening date	(77,129)	320,603
Robeco Sustainable Global Stars Equities Fund - dividend paid	(29,918)	(33,125)
Robeco Sustainable Global Stars Equities Fund - EUR G - dividend paid	(32,184)	(34,030)
Addition to other reserves	139,231	(253,448)
Net result for financial year	410,522	49,989
Situation on closing date	410,522	49,989
Situation on closing date	2,637,845	2,606,125

The authorized share capital amount of EUR 300 million is divided into 299,999,990 ordinary shares and 10 priority shares with a nominal value of EUR 1 each. The priority shares have already been issued. The ordinary shares are divided into 150,000,000 Robeco Sustainable Global Stars Equities Fund shares and 149,999,990 Robeco Sustainable Global Stars Equities Fund - EUR G shares. Fees are not included in the share premium reserve.

Special controlling rights under the Articles of Association

The 10 priority shares in the company's share capital are held by Robeco Holding B.V. According to the company's Articles of Association, the rights and privileges of the priority shares include the appointment of managing directors and the amendment to the Articles of Association. The Management Board of Robeco Holding B.V. determines how the voting rights are exercised:

Gilbert O.J.M. Van Hassel
Karin van Baardwijk
Peter J.J. Ferket
Mark C.W. den Hollander

Notes to the balance sheet (continued)

8. Assets, shares outstanding and net asset value per share

	30/06/2019	30/06/2018	30/06/2017
Robeco Sustainable Global Stars Equities Fund			
Fund assets in EUR' 000	1,219,703	1,232,638	1,336,332
Situation of number of shares issued at opening date	31,350,646	34,327,175	41,686,459
Shares issued in financial period	470,801	559,964	822,341
Shares repurchased in financial period	(1,753,002)	(1,949,051)	(5,472,870)
Number of shares outstanding	30,068,445	32,938,088	37,035,930
Net asset value per share in EUR	40.56	37.42	36.08
Dividend paid per share during the financial period	1.00	1.00	1.00
Robeco Sustainable Global Stars Equities Fund - EUR G			
Fund assets in EUR' 000	1,418,142	1,373,487	1,389,446
Situation of number of shares issued at opening date	33,229,858	34,506,993	37,267,797
Shares issued in financial period	525,870	959,425	1,407,190
Shares repurchased in financial period	(1,379,421)	(1,248,125)	(2,527,014)
Number of shares outstanding	32,376,307	34,218,293	36,147,973
Net asset value per share in EUR	43.80	40.14	38.44
Dividend paid per share during the financial period	1.00	1.00	1.00

Notes to the profit and loss account

Income

9. Investment income

This concerns net dividends received and revenue from securities lending minus interest paid.

Costs

10. Management fee and service fee

The management fee and service fee are charged by the manager. The fees are calculated daily on the basis of the fund assets.

Management fee and service fee specified in the prospectus

	Robeco Sustainable Global Stars Equities Fund	Robeco Sustainable Global Stars Equities Fund - EUR G
	%	%
Management fee	1.00	0.50
Service fee ¹	0.12	0.12

¹ For the share classes, the service fee is 0.12% per year on assets up to EUR 1 billion, 0.10% on assets above EUR 1 billion and 0.08% on assets above EUR 5 billion.

The management fee cover all current costs resulting from the management and marketing of the fund. If the manager outsources operations to third parties, any costs associated with this will also be paid from the management fee. The management Fee for the Robeco Sustainable Global Stars Equities Fund share class also include the costs related to registering shareholders in this share class.

The service fee paid to RIAM covers the administration costs, the costs of the external auditor, other external advisers, regulators, costs relating to reports required by law, such as the annual and semi-annual reports, and the costs relating to the meetings of shareholders. Costs for the external auditor are not included in the fund's results.

11. Performance fee

Robeco Sustainable Global Stars Equities Fund N.V. is not subject to a performance fee.

12. Other costs

This concerns:

	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Custody fee	57	66
Costs for fund agent	2	6
Other costs relating to own shares	—	25
Depository fee	60	81
Total	119	178

13. Ongoing charges

	Robeco Sustainable Global Stars Equities Fund		Robeco Sustainable Global Stars Equities Fund - EUR G	
	01/07/2018- 30/06/2019 %	01/07/2017- 30/06/2018 %	01/07/2018- 30/06/2019 %	01/07/2017- 30/06/2018 %
Management fee	1.00	1.00	0.50	0.50
Service fee	0.12	0.12	0.11	0.11
Other costs	0.01	0.02	0.01	0.02
Proportion of income on securities lending payable	0.00	0.00	0.00	0.00
Total	1.13	1.14	0.62	0.63

Notes to the profit and loss account (continued)

Cost (continued)

13. Ongoing charges (continued)

The percentage of ongoing charges is based on the average net assets per share class. The average assets are calculated on a daily basis. The ongoing charges include all costs charged to the share classes in the reporting period, excluding the costs of transactions in financial instruments and interest charges. The ongoing charges do not include any payment of entry or exit costs charged by distributors.

The proportion of securities-lending income payable as defined in the Information on the Risks of lending Financial Instruments on page 18 is included separately in the ongoing charges.

14. Turnover rate

The portfolio turnover rate was 77% in the period 1 July 2018 to 30 June 2019 (period 1 July 2017 to 30 June 2018: 67%). This rate shows the rate at which the fund's portfolio is turned over and is a measure of the incurred transaction costs resulting from the portfolio policy pursued and the ensuing investment transactions. The turnover rate is determined by expressing the amount of the turnover as a percentage of the average fund assets. The average fund assets are calculated on a daily basis. The amount of the turnover is determined by the sum of the purchases and sales of investments less the sum of issuance and repurchase of own shares. The sum of issues and repurchases of own participating units is determined as the balance of all issues and repurchases in the fund.

Cash and money-market investments with an original life to maturity of less than one month are not taken into account in the calculation.

15. Transactions with affiliated parties

Part of the transaction volume over the reporting period relates to transactions with affiliated parties. The table below shows the various types of transactions where this was the case.

	Counterparty	01/01/2019- 30/06/2019 %	01/01/2018- 30/06/2018 %
Securities-lending transactions	RIAM	–	100.00

During the reporting period the fund paid RIAM the following amounts in management fee and service fees:

	Counterparty	01/01/2019- 30/06/2019 EUR' 000	01/01/2018- 30/06/2018 EUR' 000
Management fee	RIAM	9,554	9,621
Service fee	RIAM	1,505	1,501

16. Fiscal status

The fund has the status of a fiscal investment institution. A detailed description of its fiscal status is included in the general information of the management report on page 4.

17. Register of Companies

The fund has its registered office in Rotterdam and is listed in the Trade Register of the Chamber of Commerce in Rotterdam, under number 24041906.

Currency table

Exchange rates

	30/06/2019	31/12/2018
	EUR = 1	EUR = 1
AUD	1.6228	1.6250
CAD	1.4881	1.5591
CHF	1.1103	1.1256
DKK	7.4637	7.4674
GBP	0.8948	0.9015
HKD	8.8969	8.9534
JPY	122.6943	126.2597
KRW	1,314.9154	1,275.8615
NOK	9.7095	9.9867
SEK	10.5660	10.2713
SGD	1.5407	1.5619
TWD	35.3706	35.1462
USD	1.1388	1.1434

Schedule of Investments

As at 30 June 2019

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Equities				
<i>Denmark</i>				
Vestas Wind Systems A/S	DKK	750,740	57,032	2.16
			57,032	2.16
<i>Finland</i>				
Neste OYJ	EUR	1,668,673	49,793	1.89
UPM-Kymmene OYJ	EUR	1,000,980	23,393	0.88
			73,186	2.77
<i>France</i>				
Vivendi SA	EUR	4,862,170	117,713	4.46
			117,713	4.46
<i>Germany</i>				
Deutsche Boerse AG	EUR	633,368	78,791	2.99
			78,791	2.99
<i>Hong Kong</i>				
AIA Group Ltd.	HKD	8,773,600	83,083	3.15
			83,083	3.15
<i>Ireland</i>				
Allegion plc	USD	714,013	69,314	2.63
Linde plc	USD	399,472	70,437	2.67
			139,751	5.30
<i>Netherlands</i>				
Heineken NV	EUR	910,051	89,312	3.39
			89,312	3.39
<i>Sweden</i>				
Lundin Petroleum AB	SEK	1,004,432	27,368	1.04
			27,368	1.04
<i>Switzerland</i>				
Nestle SA	CHF	594,318	54,094	2.05
Roche Holding AG	CHF	451,267	111,625	4.23
			165,719	6.28
<i>United Kingdom</i>				
Liberty Global plc 'C'	USD	1,222,683	28,484	1.08
Reckitt Benckiser Group plc	GBP	1,120,370	77,806	2.95

Schedule of Investments (continued)

As at 30 June 2019

Investments	Currency	Quantity/ Nominal Value	Market Value EUR' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Equities (continued)				
<i>United Kingdom (continued)</i>				
Royal Dutch Shell plc 'A'	EUR	2,825,377	81,116	3.07
			187,406	7.10
<i>United States of America</i>				
AbbVie, Inc.	USD	1,318,420	84,190	3.19
Adobe, Inc.	USD	198,552	51,373	1.95
Alphabet, Inc. 'A'	USD	114,801	109,156	4.14
Amazon.com, Inc.	USD	51,990	86,450	3.28
Anthem, Inc.	USD	214,904	53,256	2.02
Apple, Inc.	USD	183,300	31,857	1.21
Applied Materials, Inc.	USD	730,878	28,823	1.09
Biogen, Inc.	USD	115,666	23,754	0.90
Booking Holdings, Inc.	USD	17,729	29,186	1.11
Broadcom, Inc.	USD	195,408	49,394	1.87
Charter Communications, Inc. 'A'	USD	466,163	161,765	6.13
Cisco Systems, Inc.	USD	1,926,895	92,605	3.51
CME Group, Inc.	USD	151,868	25,886	0.98
Electronic Arts, Inc.	USD	617,721	54,927	2.08
Eli Lilly & Co.	USD	247,281	24,057	0.91
Halliburton Co.	USD	2,541,393	50,748	1.92
LendingTree, Inc.	USD	49,866	18,392	0.70
Mastercard, Inc. 'A'	USD	215,300	50,012	1.90
Microsoft Corp.	USD	1,489,548	175,219	6.64
Parker-Hannifin Corp.	USD	540,163	80,640	3.06
State Street Corp.	USD	957,783	47,149	1.79
Union Pacific Corp.	USD	721,481	107,139	4.06
Visa, Inc. 'A'	USD	599,221	91,320	3.46
			1,527,298	57.90
Total Equities			2,546,659	96.54
Total Transferable securities and money market instruments admitted to an official exchange listing			2,546,659	96.54
Total Investments			2,546,659	96.54
Cash			96,452	3.66
Other Assets/(Liabilities)			(5,266)	(0.20)
Total Net Assets			2,637,845	100.00

Schedule of Investments (continued)

As at 30 June 2019

Forward Currency Exchange Contracts

Currency Purchased	Amount Purchased	Currency Sold	Amount Sold	Maturity Date	Counterparty	Unrealised Gain/(Loss) EUR' 000	% of Net Assets
AUD	104,466,310	EUR	63,879,026	17/07/2019	HSBC	448	0.02
CAD	126,174,431	EUR	83,519,971	17/07/2019	HSBC	1,191	0.05
EUR	13,594,897	HKD	120,921,658	17/07/2019	Citigroup	20	–
EUR	21,580,456	USD	24,500,000	17/07/2019	Barclays	94	–
EUR	14,700,380	USD	16,714,266	17/07/2019	HSBC	42	–
JPY	25,813,137,210	EUR	210,143,352	17/07/2019	Barclays	230	0.01
NOK	63,600,000	EUR	6,485,119	17/07/2019	Citigroup	60	–
SGD	23,204,974	EUR	14,959,958	17/07/2019	Barclays	86	–
Total Unrealised Gain on Forward Currency Exchange Contracts - Assets						2,171	0.08
EUR	84,805,799	CHF	95,244,036	17/07/2019	HSBC	(989)	(0.04)
EUR	34,365,632	DKK	256,606,419	17/07/2019	Citigroup	(18)	–
EUR	33,868,294	HKD	301,950,000	17/07/2019	HSBC	(31)	–
EUR	8,699,564	SEK	93,201,352	17/07/2019	Barclays	(120)	–
GBP	60,160,269	EUR	67,435,773	17/07/2019	Barclays	(235)	(0.01)
Total Unrealised Loss on Forward Currency Exchange Contracts - Liabilities						(1,393)	(0.05)
Net Unrealised Gain on Forward Currency Exchange Contracts - Assets						778	0.03

Rotterdam, 30 August 2019

The Manager

Robeco Institutional Asset Management B.V.

Policymakers RIAM:

Gilbert O.J.M. Van Hassel

Karin van Baardwijk

Peter J.J. Ferket

Martin O. Nijkamp

Mark C.W. den Hollander

Hans-Christoph von Reiche

Victor Verberk

Other information

Directors' interests

The total personal interests in the investments of the fund held by the policymakers of the management (also the manager) of the fund on 1 January 2019 and 30 June 2019 are shown in the table below.

Directors' interests

As at 1 January 2019	Description	Quantity
ING Groep NV	Shares	230,888
Royal Dutch Shell	Shares	990

As at 30 June 2019	Description	Quantity
Royal Dutch Shell	Shares	990

Auditor

No external audit has been conducted.