

This statement provides you with key information about this product.

This statement is a part of the offering document.

You should not invest in this product based on this statement alone.

Quick facts

Management company:	Robeco Institutional Asset Management B.V.
Depository:	J.P. Morgan SE, Luxembourg Branch
Ongoing charges over a year:	Class BxH [^] USD: 1.01% [#]
Dealing frequency:	Daily
Base currency:	EUR
Dividend policy:	Class BxH – Subject to the discretion of the Directors, dividend (if any) will be distributed on a monthly basis. The Directors may at their discretion pay dividends out of capital the effect of which will be a reduction in the net asset value of such class.
Financial year end of this fund:	31 December
Min. investment:	<u>Minimum initial investment</u> Class BxH: 1 share

Additional investment

Nil

[#] As the share class is newly established, the figure is an estimate only and represents estimated ongoing expenses chargeable to the respective share class of the Sub-fund expressed as a percentage of the Sub-fund's average net asset value. The actual figure may be different and may vary from year to year.

[^] Class BxH is a Currency Hedged Share Class which, in general, engages in currency hedging transactions to minimize undesired performance impact due to exchange rate fluctuations of the currency of the share class.

What is this product?

The Sub-fund is a sub-fund of Robeco Capital Growth Funds, a Luxembourg domiciled open-ended investment company with variable capital and whose home regulator is the Commission de Surveillance du Secteur Financier ("CSSF").

The term "QI" in the name of the Sub-fund means "Quant Investing" and illustrates that it is part of the quantitatively managed fund range of Robeco.

Objectives and Investment Strategy

Objective

The aim of the Sub-fund is to provide long term capital growth.

Strategy

Robeco QI Dynamic High Yield offers exposure to world-wide high yield corporates. This is done by investing at least two-thirds of its total assets in derivatives, bonds, money market investments and similar fixed income securities, cash deposits and cash equivalents. Through investments in derivatives and bonds (for example, by investing in a portfolio of credit default swap ("CDS") indices and government bonds based on a quantitative model), the Sub-fund gains exposure to high yield fixed income securities (i.e. debt securities with a rating of BB+ or equivalent or lower by at least one of the recognized rating agencies (such as Moody's, Standard & Poor's and Fitch) and those which neither the security itself nor its issuer has a credit rating). The Sub-fund's active investment strategy is based on quantitative research. To anticipate changing market conditions, this strategy actively manages the portfolio's credit market exposure, interest rate sensitivity, and regional allocation.

The Sub-fund may invest in any economic sector and in any currency and is unrestricted in its choice of issuers by size, but will not invest in sovereign emerging debt.

The Sub-fund is actively managed. The Sub-fund aims to outperform the Bloomberg Global HY Corporate (the "Benchmark") over the long run, whilst still controlling the risk of the Sub-fund in comparison to the

Benchmark.

The Sub-fund will invest in financial derivative instruments to actively take positions in the global bond, money market and currency markets, but also for hedging and optimal portfolio management purposes. The buying and selling of exchange traded and over-the-counter derivatives are permitted, including but not limited to futures, options, swaps (including but not limited to CDS indices), currency forwards and/or combinations of the above. The Sub-fund will use derivatives extensively for investment purposes as well as for hedging and efficient portfolio management. The Sub-fund may use financial derivative instruments at its absolute discretion. Long and short active currency and financial derivative instrument positions implemented by the Sub-fund may not be correlated with the underlying securities positions held by the Sub-fund.

The Sub-fund is allowed to invest up to 33% in money market instruments, bank deposits (other than deposits at sight) and other eligible liquid assets for treasury purposes and in case of unfavourable market conditions.

The Sub-fund may hold up to 20% of its net assets in ancillary liquid assets (bank deposits at sight, such as cash held in current accounts). Under exceptionally unfavourable market conditions and if justified in the interest of the Shareholders, the Sub-fund may temporarily exceed the aforementioned limit for investment in ancillary liquid assets and other liquid instruments.

The Sub-fund may not invest more than:

- (i) 20% of its total assets in asset backed securities;
- (ii) 10% of its total assets in equities or other participation rights (these holdings may only result from corporate actions and/or debt restructuring and not from direct investments by the Sub-fund) or in UCIs and/or UCITS that may be part of an Affiliated Entity (as defined under "GLOSSARY OF DEFINED TERMS" of the Prospectus);
- (iii) 10% of its total assets in issue that have no rating by at least one of the recognized rating agencies;
- (iv) 25% of its total assets in convertible bonds;
- (v) one third of its total assets in money market instruments;
- (vi) 10% of its total assets in securities issued by a company, sovereign state, or entity that are either in default or at high risk of default (i.e., securities with an S&P or equivalent rating of CC or lower);
- (vii) 5% of its total assets in insurance-linked securities ("ILS") such as catastrophe bonds; and
- (viii) 25% of its total assets in debt instruments with loss-absorption features ("LAP"), such as contingent convertible bonds and bail-in bonds. These instruments may be subject to contingent write-down or contingent conversion to ordinary shares on the occurrence of trigger event(s).

The Sub-fund aims to align the currency exposure of the Sub-fund with the Benchmark including through the use of derivatives.

The Sub-fund will not invest directly in equities (with the exception of equities which are received as a result of a corporate action and/or debt restructuring).

Investors should note that the Sub-fund may engage in repurchase agreements (up to 10% of its net asset value), reverse repurchase agreements (up to 15% of its net asset value) and securities-lending transactions (up to 75% of its net asset value).

The Sub-fund is classified as falling under Article 6 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial sector. The investments underlying the Sub-fund do not take into account the EU criteria for environmentally sustainable economic activities. While the Management Company considers principal adverse impacts of investment decisions on sustainability factors for its investments, including the Sub-fund's investments, the Sub-fund does not consider principal adverse impacts of investment decisions on sustainability factors, due to the strategy following a timing sensitive approach using credit default swap index instruments, which allow no individual issuer selection and related sustainability checks.

Use of derivatives / Investment in derivatives

The Sub-fund's net derivative exposure may be more than 100% of its net asset value.

What are the key risks?

Investment involves risks. Please refer to the offering document for details including the risk factors.

- **General investment risk** – The Sub-fund's investment portfolio may fall in value due to any of the key risk factors below and therefore your investment in the Sub-Fund may suffer losses. There is no guarantee of the repayment of principal.
- **Risk of use of financial derivative instruments, techniques or structures** - The Sub-fund may invest in financial derivative instruments, techniques or structures including futures, swaps (including but not limited to CDS indices), options, currency forwards and/or combinations of the above. Given the leverage effect embedded in financial derivative instruments, such investments may result in higher volatility or even a total loss of the Sub-fund's assets within a short period of time. Investments in financial derivative instruments may also subject the Sub-fund to substantial counterparty, liquidity and hedging risks, which may adversely affect the net asset value of the Sub-fund. There is no guarantee that the desired hedging instruments will be available or hedging techniques will achieve their desired result. In adverse situations, the use of hedging instruments may become ineffective in hedging and the Sub-fund may suffer significant losses.

Basis Risk in using derivatives include the risk of differing valuations of derivatives arising out of different permitted valuation methods and the inability of derivatives to correlate perfectly with underlying securities, rates and indices. Many derivatives, in particular over-the-counter derivatives, are complex and often valued subjectively and the valuation can only be provided by a limited number of market professionals which often are acting as counterparties to the transaction to be valued, which may prejudice the independence of such valuations. Inaccurate valuations can result in increased cash payment requirements to counterparties or a loss of value to a Sub-fund.

- **High leverage risk** – The Sub-fund may have a net leveraged exposure of more than 100% of its net asset value. This will further magnify any potential negative impact of any change in the value of the underlying asset on the Sub-fund and also increase the volatility of the Sub-fund's price and may lead to significant losses.
- **Risks of implementing active financial derivative instrument ("FDI") and currency positions not correlated with the underlying asset of the Sub-fund** – As the active FDI and currency positions implemented by the Sub-fund may not be correlated with the underlying securities positions held by the Sub-fund, the Sub-fund may suffer a significant or total loss even if there is no loss of the value of the underlying securities positions (e.g. fixed income securities) being held by the Sub-fund.
- **Risks associated with debt securities**
 - **Credit risk** - Investment in fixed income securities is subject to interest rate (see the point below), default and credit risks. There can be no assurance that the issuers of fixed income securities in which the Sub-fund may invest will not be subject to credit difficulties. In the event of a default or credit rating downgrading of issuers, the Sub-fund's value will be adversely affected, leading to the loss of some or all of the sum invested in or payments due on such securities or instruments.
 - **Interest rate risk** - The fixed income securities in which the Sub-fund may invest are interest rate sensitive, which means that their value will fluctuate as interest rates fluctuate. The value of the fixed income securities rise when interest rates fall, whilst their value fall when interest rates rise. If the fixed income securities held by a Sub-fund fall in value, the Sub-fund's value will also be adversely affected.
 - **Risk associated with sovereign debt securities** - The Sub-fund may invest in sovereign debt securities which may subject to political, social and economic risk and risk of loss that the issuers of its investment may not be able or willing to make payments as promised or may request the Sub-fund to participate

in restructuring such debts and/or if there is a downgrade of the sovereign credit rating of the issuers. The Sub-fund may suffer significant losses when there is a default of sovereign debt issuers.

- **Risk of investment in non-investment grade or unrated securities** – The Sub-fund may invest in lower-rated or unrated securities which generally tend to reflect short-term corporate and market developments to a greater extent than higher-rated securities which react primarily to fluctuations in the general level of interest rates. There are fewer investors in lower-rated or unrated securities, and it may be harder to buy and sell securities at an optimum time. There is also a higher risk that the bond issuer will default in the payment of its principal and/or interest obligations due to reduced creditworthiness. If the issuer of securities defaults, or such securities cannot be realised, or perform badly, the Sub-fund may suffer substantial losses.
- **Valuation risk** - Valuation of a Sub-fund's investments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the net asset value calculation of the Sub-fund.
- **Currency risk** - All or part of the securities portfolio of the Sub-fund may be invested in instruments denominated in currencies other than the base currency of the Sub-fund. A share class may also be designated in a currency other than the base currency of the Sub-fund. As a result, fluctuations in the exchange rates between the currencies in which the assets are held and the base currency of such Sub-fund and/or the relevant class currency may result in the Sub-fund suffering losses.

For the Currency Hedged Share Class of this Sub-fund (e.g. Class BxH), currency hedging is done using benchmark hedging, which is implemented at the share class level and is separate from any portfolio-level hedging undertaken by the Sub-fund. Currency hedging aims to limit currency risk by reducing the effect of exchange rate fluctuations between the share class currency and the currencies in which the holdings of the Benchmark of the Sub-fund are denominated. Although in general the currency composition of the Benchmark is expected to be aligned with the currency composition of the portfolio of the Sub-fund, the currency exposures that are contained within the Benchmark, including the individual currencies themselves, may from time to time differ from those of the Sub-fund. This may result in certain individual currencies being over or under hedged.

Exposure to currencies may be hedged but investors should note that there is no guarantee that the exposure of the currency in which the shares are invested can be fully or effectively hedged against the base currency of the Sub-fund. Currency risks may be hedged with currency forward transactions and currency options. There is a possibility that the Sub-fund may suffer losses from hedging in the event of the potential ineffectiveness of hedging against currency risk.

Investors should also note that the use of currency instruments may, in certain circumstances, substantially reduce the benefit to shareholders in the relevant class of shares (for instance, if the base currency depreciates against the currency of the instrument in which the Sub-fund is invested) and could thereby result in a decrease in the value of their shareholding.

- **Counterparty risk** - A counterparty of the Sub-fund may fail to fulfill its obligations towards the Sub-fund resulting in losses being incurred. The Sub-fund may engage in OTC transactions. In general, there is less governmental regulation and supervision of transactions in the OTC markets (in which cash deposits, currencies, forwards and derivatives generally are traded) than of transactions entered into on organized exchanges. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, may not be available in connection with OTC transactions. Therefore, by entering into OTC transactions, the Sub-fund will be subject to the risk that its direct counterparty will not perform its obligations under the transactions and that the Sub-fund will sustain losses.
- **Risks relating to lending of securities** - In the case of securities- lending transactions, the Sub-fund runs the risk that the recipient cannot comply with its obligation to return the lent securities on the agreed date or furnish the requested additional collateral (where the value of the existing collateral falls below the

value of the securities lent out) and as such, the Sub-fund may sustain losses and its net asset value adversely affected.

- **Risks relating to distribution out of capital** - Distributions out of capital may result in the reduction of an investor's original capital invested in the Sub-fund or from any capital gains attributable to that original investment of the Sub-fund. Also, any distributions involving the capital and/or capital gains may result in an immediate reduction of the net asset value per share of the relevant class. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. If there is a change of distribution policy regarding any payment of dividend out of capital of the Sub-fund, the Management Company will seek the prior approval of the SFC (if required) and provide at least one month's prior notice to affected Shareholders.

The distribution amount and net asset value of a Currency Hedged Share Class (e.g. Class BxH) may be adversely affected by differences in the interest rates of the reference currency of the Currency Hedged Share Class (e.g. Class BxH) and the Sub-fund's base currency, which may result in an increase in the amount of distribution that is paid out of capital and hence a greater erosion of capital than for other share classes.

How has the Sub-fund performed?

There is insufficient data to provide a useful indication of past performance to investors as the share class offered to retail investors in Hong Kong is newly set up.

Is there any guarantee?

The Sub-fund does not have any guarantees. You may not get back the full amount of money you invest.

What are the fees and charges?

Charges which may be payable by you

You may have to pay the following fees when dealing in the shares of the Sub-fund.

<u>Fee</u>	<u>What you pay</u>
Subscription fee (sales charge)	Up to 5% of the subscription amount
Additional charge [#]	Up to 3% of the subscription amount
Switching fee	Up to 1% of the total amount being switched
Redemption fee	Nil

[#]The Directors can decide, in the best interest of current Shareholders, that an additional charge of up to 3% of the subscription amount may be levied for any particular (or all) Class(es) of Share(s) of this Sub-fund for any particular period of time. Any such additional charge will be for the direct benefit of this Sub-fund and thereby indirectly for the benefit of its current Shareholders.

Ongoing fees payable by the Sub-fund

The following expenses will be paid out of the Sub-fund. They affect you because they reduce the return you get on your investments.

	<u>Annual rate (as a % of the Sub-fund's value)</u>	
	<u>Share Classes</u>	<u>Management fee</u>
Management fee *	Class BxH USD	0.80%
Performance Fee	Not applicable	
Administration fee** (Service fee)	<u>Share Classes</u>	<u>Service fee</u>
	Class BxH USD	0.16%

Other fees

You may have to pay other fees when dealing in the shares of the Sub-fund.

*The maximum rate of the management fee is 0.80% per annum. One month's prior notice of any increase in the current rate will be given to affected shareholders, subject to regulatory approval if required.

**The annual service fee will be payable at a maximum rate of 0.26% per annum of the monthly average net asset values (based on closing prices) of the relevant Share Class of a Sub-fund. If the assets under management of a Sub-fund exceed EUR 3.5 billion, a 0.02% discount on the service fee of the Sub-fund applies to the assets above this limit and a further 0.02% discount applies to each additional EUR 2 billion of assets of the Sub-fund over EUR 3.5 billion. However, the rate of annual service fee cannot be less than 0.01% for a specific Share Class.

Additional Information

- Applications for classes of shares or requests for switching, redemption of shares will be dealt based on the Sub-fund's net asset value per Share of a Valuation Day¹ on which they are received by J.P. Morgan SE, Luxembourg Branch (as Administration Agent) in good order on or before 3:00pm Central European time

¹ Valuation Day refers to a day on which the Sub-fund accepts dealing requests and a net asset value per Share for each Share Class is calculated.

of that day. For applications or redemption requests that are sent through authorized Hong Kong distributors, Hong Kong investors should note that such authorized Hong Kong distributor may have an earlier cut-off time.

- The net asset value (per Class) of Share(s) of the Sub-fund will be published daily on www.robeco.com.hk. This website has not been reviewed or authorized by the SFC.
- In respect of Share Classes offered in Hong Kong which pay dividends out of capital (if any), the composition of the dividends (i.e. the relative amounts paid out of net distributable income and capital) for the last 12 months can be obtained either online at www.robeco.com.hk or from the Hong Kong Representative on request.

Important

If you are in doubt, you should seek professional advice.

The SFC takes no responsibility for the contents of this statement and makes no representation as to its accuracy or completeness.