



Robeco US Conservative High Dividend  
Equities N.V.

2023

**Unaudited Semi-Annual Report**  
**1 January to 30 June 2023**

Investment company with variable capital incorporated under Dutch law  
Undertaking for Collective Investment in Transferable Securities  
Chamber of Commerce registration number 59257911

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# Robeco US Conservative High Dividend Equities N.V.

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

## **Management board (and manager)**

Robeco Institutional Asset Management B.V. ('RIAM')

## **Executive Committee ('ExCo') of RIAM**

Robeco Institutional Asset Management B.V. ('RIAM')

Daily policymakers RIAM:

K. (Karin) van Baardwijk CEO\*

I.R.M. (Ivo) Frielink

M.C.W. (Mark) den Hollander\*

M.F. (Mark) van der Kroft

A. (Alexander) Preiningner

M. (Marcel) Prins \*

V. (Victor) Verberk (until 22 May 2023)

\* also statutory director

## **Supervisory directors of RIAM:**

M.F. (Maarten) Slendebroek

S. (Sonja) Barendregt-Roojers

S.H. (Stanley) Koyanagi

M.A.A.C. (Mark) Talbot

R.R.L. (Radboud) Vlaar

## **Depositary and Transfer Agent**

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## **Fund managers**

Pim van Vliet

Arlette van Ditshuizen

Maarten Polfliet

Jan Sytze Mosselaar

Arnoud Klep

## **Fund agent and paying agent**

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Chamber of Commerce registration number 59257911

# Report by the manager

## General information

### Legal aspects

Robeco US Conservative High Dividend Equities 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 EU Directive for Undertakings for Collective Investment in Transferable Securities (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 SE, Amsterdam Branch. J.P. Morgan SE, Amsterdam Branch is appointed as the depositary of the fund as referred to in Section 4:62n Wft. The depositary is responsible for supervising the fund insofar as required under and in accordance with the applicable legislation e.g. monitoring the fund's cashflows, monitoring investments, checking whether the net asset value of the fund is determined in the correct manner, checking that the equivalent value of transactions relating to the fund assets is transferred, checking that the income from the fund is used as prescribed in applicable law and regulations and the fund documentation, etc. The manager, the fund and J.P. Morgan SE, Amsterdam Branch have concluded a depositary and custodian agreement. In this agreement the responsibilities of the depositary are described. Besides the abovementioned supervising tasks, the main responsibilities of the depositary are e.g. holding in custody the assets of the fund, establishing that the assets have been acquired by the fund and that this has been recorded in the accounts, establishing that the issuance, repurchase, repayment and withdrawal of the fund's shares takes place in accordance with the fund documentation and applicable law and regulations and carrying out the managers instructions.

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

### Strategic partnership with Van Lanschot Kempen

Robeco and Van Lanschot Kempen have signed an agreement for a strategic partnership including the transfer of Robeco's online retail distribution platform for investment services to Van Lanschot Kempen. Robeco has completed the sale of the online retail distribution platform on 1 July 2023. The partnership fits in with Robeco's strategic focus on its core business in the Dutch and global wholesale and institutional markets. Robeco's retail clients retain their current investments under the same conditions at Van Lanschot Kempen, Robeco's investments funds remain available to retail clients through Van Lanschot Kempen's distribution platform Evi van Lanschot. Robeco Retail employees in the Netherlands are part of Van Lanschot Kempen as of 1 July 2023.

### 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.

### Share classes

Ordinary shares are divided into four series, one of which is open. Each series is referred to as a share class. This concerns the following series:

Share class A: Robeco US Conservative High Dividend Equities - EUR G

There is no distribution fee for this share class. The base currency of the share class is the euro, other than the base currency of the fund. The N.V. is actually quoted in US dollars. No currency hedges are effected in this 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.

### 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 made by the fund related to the entry and exit of investors. The actual maximum surcharge or discount is published on [www.robeco.com/riam](http://www.robeco.com/riam). The surcharges and discounts are recognized in the profit and loss account.

The Robeco US Conservative High Dividend Equities – EUR G<sup>1</sup> share class is listed on Euronext Amsterdam, Euronext Fund Service segment.

<sup>1</sup> This share class is quoted in euros (EUR), while the base currency of the fund is the US dollar (USD).

### Key Information Document and Prospectus

A prospectus and a key information document with information on the product and its associated costs and risks are available for Robeco US Conservative High Dividend Equities N.V. Both documents are available free of charge at the fund's offices and at [www.robeco.com](http://www.robeco.com).

# Report by the manager (continued)

## Key figures per share class

### Overview 2019-2023

Robeco US Conservative High Dividend Equities - EUR G <sup>6</sup>	2023 <sup>7</sup>	2022	2021	2020	2019	Average
<b>Performance in % based on:</b>						
– Market price <sup>1,2</sup>	-0.6	3.1	34.7	-11.4	24.8	8.3
– Net asset value <sup>1,2</sup>	-0.5	3.1	34.7	-11.4	24.0	8.5
MSCI North America Index (Gross Return in EUR) <sup>3</sup>	14.2	-13.8	36.6	10.6	33.9	13.5
Distributed from share premium in EUR <sup>4</sup>						
Dividend in EUR <sup>4</sup>	-	1.60	1.60	2.40	1.60 <sup>7</sup>	
Total net assets <sup>5</sup>	61	68	70	67	239	

<sup>1</sup> The differences between the performance based on market price and the performance based on net asset value is caused by the fact that the market price is the NAV of the previous trading day corrected for the surcharge or discount as described under Liquidity of ordinary shares.

<sup>2</sup> Any dividends distributed in any year are assumed to have been reinvested in the fund.

<sup>3</sup> Currencies have been converted at rates supplied by World Market Reuters.

<sup>4</sup> The dividend relates to the reporting year mentioned and is distributed in the following year.

<sup>5</sup> This share class is quoted in euros (EUR), while the base currency of the fund is the US dollar (USD). The net assets are therefore stated in millions of euros.

<sup>6</sup> In order to meet the tax distribution obligation, a revised dividend proposal for the Robeco US Conservative High Dividend Equities N.V. asset class was submitted to the General Meeting of Shareholders (GMS): This proposal was approved by the GMS.

<sup>7</sup> Concerns the period from 1 January 2023 through 30 June 2023.

## General introduction

### Review of the US stock markets first half 2023

US Equity markets have had a tumultuous start to 2023 as rampant inflation, a hawkish central bank environment, a crisis for a handful of small regional banks, and a very narrow market have produced a wide variety of returns through the first six months of the year. 7 of 11 sectors in the S&P 500 produced a positive return, with the majority of outperformance concentrated to Information Technology and Communication Services, with mega cap FAANGMNT stocks (Meta, Apple, Amazon, Netflix and Alphabet, coupled with Microsoft, NVIDIA and Tesla) representing nearly all of the market's strong charge. The Russell 1000 Value underperformed the Russell 1000 Growth by a wide margin, as the Value index climbed only 5.12% versus a very sharp rise of 29.02% for the Growth index. Market environments similar to this have not typically been sustainable, with a correctionary period following these anomalous events rather quickly.

### US stock markets outlook

On a positive note, since 1957, when the S&P 500 is in positive territory through the end of June, the market has, historically, produced a positive result during the second half of the year 85% of the time. Contrarily, the current environment is driven by a multitude of factors (i.e. inflation, employment, central bank tightening and market breadth) that influence market performance in a variety of ways, creating a challenging environment for investors. Through the second half of the year, central bank fortitude will certainly be tested, as the results of their efforts have been rather sticky over the last year. For example, the Federal Reserve's standard inflation measure, the core personal-consumption expenditures price index (PCE), rose by 4.6% in May 2023, down only slightly from 4.7% in April 2023, and remains well above the Fed's target of 2%. As the future becomes clearer in regards to the inflationary environment and, subsequently, the Fed's hawkish tightening, the market may benefit from a more solidified outlook.

## Investment policy

### Introduction

The fund mainly invests in liquid shares of companies domiciled in North America or which carry out most of their economic activities there. Stock selection targets shares with lower expected downside risk. These shares with lower anticipated volatility are selected using a quantitative stock-selection model. In the selection of investments, choices are made with respect to allocation across sectors and subsectors and large, medium-sized and small companies. The risk of the fund is limited by means of this diversification.

### Investment objective

The primary objective of the fund is to generate equal or greater returns than the North American equity market at significantly lower risk while at the same time aiming for a better sustainability profile compared to the reference index by promoting certain ESG (i.e. Environmental, Social and Governance) characteristics and integrating sustainability risks in the investment process. Conservative Equities here represents a focus on equities with low volatility. The fund uses the MSCI North America Index (Net Return in EUR) Index as reference index.

# Report by the manager (continued)

## Investment policy (continued)

### Implementation of the investment policy

Empirical research over a very long period (80 years) shows that low-beta (or low-risk) stocks generate a higher return than that justified according to their beta. The risk-return relationship is therefore not positive, as is often assumed, but instead flat or even negative. This is also sometimes referred to as the low-risk anomaly, and the investment style used to benefit from this is known as 'low-volatility investing'. Besides the empirical evidence, there is also an economic reason why this anomaly exists. Low-risk stocks have a high tracking error and are therefore not attractive for a portfolio manager working with a benchmark-linked risk. This is why there are increasing numbers of academic studies into the relationship between risk and return and the underlying economic reasons. Robeco researchers are also participating in this lively debate by publishing items on low-volatility investing in international peer-reviewed journals. The low-risk anomaly and the low-volatility investment style based thereon is one of the sources of return.

Robeco's quantitative stock-selection model also uses other variables which either reduce total expected risk or increase portfolio returns. The quantitative Conservative Equity model combines the most successful variables that are expected to generate the highest return per unit of absolute risk.

The stock selection model for Robeco US Conservative High Dividend Equities N.V. assesses stocks on the following two themes:

1. low-risk factors (preference for stocks with low volatility, for instance);
2. return factors (preference for stocks with a high dividend and high price momentum, for instance).

All equities in the United States and Canada with sufficient market value and daily trading volume make up the investment universe of Robeco US Conservative High Dividend Equities N.V. In principle, the investment universe consists of stocks that are included in the MSCI North America Index. To enable investment in suitable stocks that are not included in this index, the universe was expanded to include stocks in the Broad Market Index as compiled by S&P.

A minimum daily trading volume is applied to achieve a relatively stable and liquid investment universe. The portfolio manager purchases the most attractive stocks based on the results of the stock selection model. Each position is held until the stock's rank drops and another stock with a much higher rank can be bought instead with an expected positive alpha versus trading cost trade-off. As a result of this trading discipline, the portfolio will typically not hold bottom-ranked stocks. All trading occurs within concentration and position limits. The fund's sell-driven process leads to a low portfolio turnover, which helps to keep trading costs low. The intention is to construct a well-diversified portfolio with the objective of reducing stock-specific risks.

### Currency policy

The fund mainly invests in stocks issued in foreign currencies (USD and CAD). These currencies are not hedged. Further quantitative information on the currency risk can be found in the information on currency risk provided on page 18.

## Investment result

### Investment result per share class

Share class	Price in EUR x 1 30/06/2023	Price in EUR x 1 31/12/2022	Dividend paid June 2023	Investment result in reporting period in % <sup>1</sup>
<i>Robeco US Conservative High Dividend Equities - EUR G</i> <sup>2</sup>			1.60 <sup>3</sup>	
- Market price	49.41	51.36		-0.6
- Net asset value	49.45	51.32		-0.5

<sup>1</sup> Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

<sup>2</sup> This share class is quoted in euros (EUR). The prices are therefore stated in euros. The base currency of the fund is the US dollar (USD).

Over the reporting period, Robeco US Conservative High Dividend Equities N.V. generated a return of -0.1% (gross of fees in EUR), against a return of 14.2% for its reference index, the MSCI North America Index (Gross Return in EUR).

Attributing the relative performance to factors, shows negative contributions from the low-risk, the value and the momentum factor.

### Return and risk

Robeco US Conservative High Dividend Equities N.V. is characterized by generally having lower absolute risk than its reference index, while having a high relative risk as the strategy that deviates considerably from its reference index.

Since the start of the fund in December 2013, the fund achieved a lower return than the index, the MSCI North America Index (gross return in EUR). The risk profile of the sub-fund, as measured by the volatility, was lower than that of the index. The lower return and lower volatility since the start of the fund resulted in a lower Sharpe ratio of 0.94 for the fund, against a Sharpe ratio of 0.97 for the reference index.

# Report by the manager (continued)

## Remuneration policy

The fund itself does not employ any personnel and is managed by Robeco Institutional Asset Management BV (hereafter '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.

This is a reflection of the Remuneration Policy of RIAM. The remuneration policy of RIAM applies to all employees of RIAM. The policy follows applicable laws, rules, regulations and regulatory guidance including, without limitation, chapter 1.7 of the Wft, article 5 of SFDR, the ESMA Remuneration Guidelines under UCITS, the ESMA Remuneration Guidelines under AIFMD and the ESMA Guidelines under MIFID.

### Responsibility for and application of the policy

The RIAM Remuneration Policy is determined and applied by and on behalf of RIAM with the approval, where applicable, of the Supervisory Board of RIAM on the advice of the Nomination & Remuneration Committee (a committee of the Supervisory Board of RIAM) and, where applicable, the shareholders (Robeco Holding B.V. and ORIX Corporation Europe N.V.).

### Introduction and scope

Employees and their knowledge and capabilities are the most important asset of RIAM. In order to attract and retain staff that allows RIAM to provide value to RIAM's clients and satisfy the clients' needs, fixed and variable remuneration is vital. It is equally vital to reward talent and performance fairly and competitively. In line with RIAM's reputation as a leader in sustainability, RIAM compensates its employees and applies its policy in a non-discriminatory and gender-neutral manner.

### Key objectives of the Remuneration Policy are:

- to stimulate employees to act in our clients' best interests and to prevent potential conduct of business and conflict of interest risks, adversely affecting the interests of clients;
- to support effective risk management and avoid employees taking undesirable risks, taking into account the internal risk management framework;
- to ensure a healthy corporate culture, focused on achieving sustainable results in accordance with the long-term objectives of RIAM, its clients and other stakeholders;
- to ensure consistency between the remuneration policy and environmental, social and governance risks and sustainable investment objectives by including these risks in the key performance indicators (KPIs) used for the determination of variable compensation of individual staff members;
- to provide for a market competitive remuneration to retain and attract talent.

### The remuneration policy in a broader perspective

In general, RIAM aims to align its remuneration policy and practices with its risk profile, its function and the interests of all its stakeholders. RIAM's approach to remuneration is intended to attract, motivate and retain colleagues who have the necessary skills, capabilities, values and behaviors needed to deliver on its strategy. This policy and RIAM's remuneration practices aim to (i) reward success whilst avoiding to reward for failure and (ii) maintain a sustainable balance between short and long-term value creation and build on RIAM's long-term responsibility towards its employees, clients, shareholders and other stakeholders.

#### *RIAM is an asset manager with Dutch roots and nearly a century of operations*

Established in Rotterdam in 1929, RIAM offers investment management and advisory services to institutional and private investors. In addition, RIAM manages and distributes a variety of investment funds in and outside of the Netherlands. As an asset manager, RIAM is also acutely aware of its role in the transition to a more sustainable future.

#### *RIAM's remuneration policy is shaped by regulation and finetuned by its stakeholders*

RIAM is active in a sector that is strictly regulated, impacting every aspect of its business model – including its remuneration policy and practices. A common denominator between the various sectoral remuneration regulations to which RIAM is subject, is that they all endeavor to align, at least in general terms, the interests of covered institutions with those of its stakeholders, for example through the use of deferral mechanisms, retention periods and restrictions on disproportionate ratios between fixed and variable remuneration.

Closely observing these requirements – in text and spirit – in constructing its remuneration approach and this remuneration policy, is a first step for RIAM to ensure alignment between its remuneration and the interests of its key stakeholders.

RIAM's remuneration policy seeks to strike a balance between its function as a trusted asset manager for institutional and retail clients on the one hand and its desire to offer RIAM's employees a well-balanced and competitive remuneration package on the other hand – recognizing the inherent risks to the former posed by the latter. RIAM believes that the balance between the interests of these two key stakeholders (clients and employees) are served by the use of specific performance criteria (KPIs), such as those emphasizing customer centricity.

# Report by the manager (continued)

## Remuneration policy (continued)

### The remuneration policy in a broader perspective (continued)

*RIAM's remuneration policy is shaped by regulation and finetuned by its stakeholders (continued)*

The annual variable remuneration within RIAM in principle does not exceed 200% of fixed remuneration. A limit RIAM considers appropriate in light of the market and global arena in which it operates.

Finally, in recognition of RIAM's responsibilities to Dutch – and global – society in combatting climate change, RIAM has explicitly integrated sustainability risk factors in the performance indicators of relevant employees, so that their remuneration can be aligned with sustainability risk management.

*RIAM's approach to remuneration is subject to constant monitoring and change*

RIAM constantly seeks and receives input from clients, employees (both through the works council and in other settings), its shareholder, regulators and other stakeholder groups about its remuneration approach, enhancing the link between remuneration outcomes and stakeholder interests.

RIAM has set-up robust governance and monitoring arrangements to ensure its remuneration policy and approach remain aligned not just with applicable law, but also with the interests of its stakeholders.

### Remuneration elements

When determining the total remuneration of employees, RIAM periodically performs a market benchmark review. All remuneration awarded to RIAM employees can be divided into fixed remuneration (payments or benefits without consideration of performance criteria) and variable remuneration (additional payments or benefits, depending on performance).

*Fixed remuneration - Monthly fixed pay*

Each individual employee's monthly fixed pay is determined based on their function and/or responsibility and experience according to the RIAM salary ranges and with reference to the benchmarks of the investment management industry in the relevant region. The fixed remuneration is sufficiently high to remunerate the professional services rendered, in line with the level of education, the degree of seniority, the level of expertise and skills required, job experience, the relevant business sector and region.

*Fixed remuneration - Temporary allowances*

Under certain circumstances, temporary allowances may be awarded. In general, such allowances are solely function and/or responsibility based and are not related to the performance of the individual employee or RIAM as a whole. Allowances are granted pursuant to strict guidelines and principles.

*Variable remuneration*

The variable remuneration pool is established based on the financial results and includes a risk assessment on the total actual variable remuneration pool. In such assessment both financial and non-financial risks are taken into account, consistent with the risk profile of RIAM, the applicable businesses and the underlying client portfolios. When assessing risks, both current and future risks that are taken by the staff member, the business unit and Robeco as a whole are taken into account. This is to ensure any variable remuneration grants are warranted in light of the financial strength of the company and effective risk management.

To the extent that the variable remuneration pool allows, each employee's variable remuneration will be determined at the reasonable discretion of RIAM, taking into account the employee's behavior and individual and team and/or the department's performance, based on pre-determined financial and non-financial performance factors (KPIs). Poor performance or unethical or non-compliant behavior will reduce individual awards or can even result in no variable remuneration being awarded at all. Furthermore, the variable remuneration of all RIAM staff is appropriately balanced with the fixed remuneration.

The KPIs for investment professionals are mainly based on the risk-adjusted excess returns over one, three and five years. For sales professionals, the KPIs are mostly related to the net run rate revenue, and client relationship management. The KPIs should not encourage excessive risk-taking. Furthermore, sustainability KPIs are set to ensure decisions are taken in line with the sustainability risk considerations related to investment strategies and also facilitate the implementation of relevant ESG risk-related factors consistent with our sustainability risk policy. The KPIs for support professionals are mainly non-financial and role-specific. KPIs for Control Functions are predominantly (70% or more) function and/or responsibility specific and non-financial in nature. KPIs may not be based on the financial results of the part of the business they oversee in their monitoring role. At least 50% of all employees' KPIs are non-financial.

# Report by the manager (continued)

## Remuneration policy (continued)

### Remuneration elements (continued)

#### *Payment and deferral of variable remuneration and conversion into instruments*

Unless stated otherwise in this paragraph, variable remuneration up to EUR 50,000 is paid in cash immediately after being awarded. If an employee's variable remuneration exceeds EUR 50,000, 60% is paid in cash immediately and the remaining 40% is deferred and converted into instruments, as shown in the table below. These instruments are 'Robeco Cash Appreciation Rights' (R-CARs), the value of which reflects the financial results over a rolling eight-quarter period of all direct or indirect subsidiaries of Robeco Holding B.V.

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>
Cash payment	60%			
R-CARs redemption		13.34%	13.33%	13.33%

#### *Severance payments*

No severance is paid in case of voluntary resignation of the employee or in case of dismissal of the employee for seriously culpable behavior. Severance payments to daily policy makers as determined in the Wft are capped at 100% of fixed remuneration and no severance shall be paid to daily policy makers in case of dismissal due to a failure of the institution, e.g., in case of a request for state aid or if substantial sanctions are imposed by the regulator.

### Additional rules for Identified Staff

The rules below apply to Identified Staff. These rules apply in addition to the existing rules as set out above and will prevail in the event of inconsistencies. Identified Staff is defined as employees who can have a material impact on the risk profile of RIAM and/or the funds it manages. Identified Staff includes:

- members of the governing body, senior management, (senior) portfolio management staff and the heads control functions (Compliance, Risk Management, Internal Audit);
- other risk-takers as defined in the AIFMD and UCITS V, whose total remuneration places them in the same remuneration bracket as the group described above.

#### *Monitoring and Control Staff*

The following rules apply to the fixed and variable remuneration of Monitoring and Control Staff:

- The following rules apply to the fixed and variable remuneration of Monitoring and Control Staff:
- The fixed remuneration is sufficient to guarantee that RIAM can attract qualified and experienced staff.
- The business objectives of Monitoring and Control Staff are predominantly role-specific and non-financial.
- The financial business objectives are not based on the financial results of the part of the business that the employee covers in his or her own monitoring role.
- The appraisal and the related award of remuneration are determined independently of the business they oversee.
- The above rules apply in addition to the rules which apply to the Identified Staff if an employee is considered to be part of both the Monitoring or Control Staff and Identified Staff.
- The remuneration of the Head of Compliance, Head of Internal Audit and the 2 Heads of Risk Management (Head of Risk and Head of Investment Restrictions) falls under the direct supervision of the Nomination & Remuneration Committee of the Supervisory Board of RIAM.

#### *Identified Staff*

The following rules apply to the fixed and variable remuneration of Identified Staff:

- The fixed remuneration is sufficient to guarantee that RIAM can attract qualified and experienced staff.
- Part of the variable remuneration is paid in cash and part of it is deferred and converted into instruments, based on the payment/redemption table below. The threshold of EUR 50,000 does not apply. In the occasional event that the amount of variable remuneration is more than twice the amount of fixed remuneration, the percentages between brackets in the table below will apply

	<i>Year 1</i>	<i>Year 2</i>	<i>Year 3</i>	<i>Year 4</i>	<i>Year 5</i>
Cash payment	30% (20%)	6.67% (10%)	6.66% (10%)	6.66% (10%)	
R-CARs redemption		30% (20%)	6.67% (10%)	6.66% (10%)	6.66% (10%)

# Report by the manager (continued)

## Remuneration policy (continued)

### Risk control measures

RIAM has identified the following risks that must be taken into account in applying its remuneration policy:

- misconduct or a serious error of judgement on the part of employees (such as taking non-permitted risks, violating compliance guidelines or exhibiting behavior that conflicts with the core values) in order to meet business objectives or other objectives
- a considerable deterioration in Robeco's financial result becomes apparent
- a serious violation of the risk management system is committed
- evidence that fraudulent acts have been committed by employees
- behavior that results in considerable losses.

The following risk control measures apply, all of which are monitored by the Supervisory Board of RIAM.

#### *Ex-post risk assessment claw back – for all employees*

RIAM may reclaim all or part of the variable remuneration paid if (i) this payment was made on the basis of incorrect information, (ii) in the event that fraud has been committed by the employee, (iii) in the event of serious improper behavior on the part of the employee or serious negligence in the performance of his or her tasks, or (iv) in the event of behavior that has resulted in considerable losses for the organization.

#### *Ex-post risk assessment malus – for Identified Staff*

Before paying any part of the deferred remuneration, RIAM may decide, as a form of ex-post risk adjustment, to apply a malus on the following grounds:

- evidence of fundamental misconduct, error and integrity issues by the staff member (e.g. breach of code of conduct, if any, and other internal rules, especially concerning risks);
- a staff member having caused a considerable deterioration in the financial performance of RIAM or any fund managed by it, especially to the extent this performance was relevant to the award of variable remuneration;
- a significant deficiency in the risk management of RIAM or any fund managed by it; or
- significant changes in the overall financial situation of RIAM.

#### *Ex-ante risk assessment – for Identified Staff*

Before granting an in-year variable remuneration to Identified Staff, RIAM may decide, as a form of ex-ante risk adjustment, to apply a reduction or even reduce the variable remuneration proposal to zero in case of compliance and risk related matters, collectively or individually.

#### *Approvals*

In accordance with RIAM's governance, the remuneration of the Management Board is determined by the shareholder (ORIX Corporation Europe N.V.), based on a proposal from the Supervisory Board of RIAM who has been advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM. The remuneration of employees earning in total more than EUR 500,000 per annum requires the approval of the Supervisory Board of RIAM (advised by the Nomination & Remuneration Committee of the Supervisory Board of RIAM) as well as the shareholder.

#### *Annual audit*

Internal Audit audits the remuneration process annually, as well as verifying the implementation of possible amendments to it and that remuneration has been in compliance with the policy.

# Report by the manager (continued)

## Sustainable investing

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. 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 are signatories to many different stewardship codes across the globe.

### ESG at the forefront in 2022 Proxy Season

ESG topics took center stage in the 2022 proxy season as companies came under unprecedented scrutiny over their ESG performance. The season saw a growing number of ESG-focused shareholder proposals addressing a broader and more diverse set of topics. The significant support for these proposals highlighted the urgent need for companies to step up their ESG efforts to meet the growing expectations of investors and regulators alike.

In 2022, companies faced continued pressure from investors on climate change. This occurred against the backdrop of a historic 2021 proxy season that saw the advent of the Say-on-Climate proposal and the removal of Exxon directors in a proxy fight focused on carbon transition strategy. 2022 meeting agendas stand proof of this ever-growing interest; a large number of Say-on-Climate proposals were up for a vote, with shareholders having called for companies to set and disclose targets across scope 1, 2 and 3 emissions, to align their strategy to net-zero or to cease financing fossil fuels. At the same time, biodiversity emerged as a key topic as resolutions dealing with issues such as plastics use and water stewardship made their way onto ballots. Robeco assessed the merits of these proposals on a case-by-case basis, while continuing to hold companies accountable for insufficient climate action by voting against specific agenda items such as the board chair election.

Social topics were brought to the fore by the Covid-19 pandemic and remained high on the agenda in the 2022 proxy season. Particularly noteworthy was the large variety of social issues that reached ballots. Shareholders filed an increasing number of proposals calling for companies to carry out racial equity or civil rights audits and these resolutions in some cases won majority support - as seen at Apple's 2022 AGM. Healthcare companies such as Pfizer and Johnson & Johnson were targeted by resolutions addressing IP transfer to Covid-19 vaccine manufacturers, and the public health costs of protecting vaccine technology. The number of proposals addressing climate-related lobbying also steadily increased. In all cases, Robeco supported proposals deemed to protect minority shareholder rights and strengthen director accountability while safeguarding long-term shareholder interests. Notably, Robeco co-filed a resolution dealing with customer due diligence at Amazon's 2022 AGM; this proposal was supported by nearly 40% of the votes cast.

Governance topics remained top-of-mind as shareholders continued to push to expand their rights and to hold companies accountable for remuneration practices that lagged their expectations. Meeting agendas were packed with proposals seeking amendments to provisions governing proxy access, special meetings, and action by written consent, as well as resolutions calling for companies to adopt the "one share, one vote" principle or to separate the board chair and CEO roles. Many companies proposed article amendments that would allow them to hold virtual-only meetings at their discretion. However, recent years have shown that virtual-only shareholder meetings can severely deprive shareholders of their rights as management is afforded the discretion to filter out inconvenient questions. For this reason, Robeco opposed any article amendments that grant companies the discretion to hold shareholder meetings in a virtual-only format outside exceptional circumstances.

The prominence of ESG topics on meetings ballots however also sparked an increase in the number of proposals dubbed as "anti-ESG" or "anti-social." Filed by "conservative" investors, these were centered around many of the topics highlighted above yet called for companies to halt rather than advance their ESG efforts. The low support gained by these resolutions is however far from being reassuring for ESG-minded investors; in the US, a low approval rate means that proposals addressing the same issue can be excluded from ballots in subsequent years. Robeco voted against any shareholder proposals seeking to halt the companies' efforts to advance ESG goals.

### ESG integration by Robeco

Sustainability brings about change in markets, countries and companies in the long term. And since changes affect future performance, the analysis of 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. For the analysis of ESG factors we have research available from leading sustainability experts, including our own proprietary research from the sustainable investing research team. This dedicated sustainable investing research team works closely together with the investment teams to provide them with in-depth sustainability information.

The investment analysis focuses on the most material ESG factors and how they may drive the financial performance of a company. We can then focus on the most relevant information in performing our investment analysis and can reach better informed investment decisions.

# Report by the manager (continued)

## Sustainable investing (continued)

### ESG integration by Robeco (continued)

Besides integrating ESG, Active Ownership and exclusions into all of our investment processes, in 2022 and the first half of 2023 we systematically added climate risk as a factor in our fundamental investment analyses, both on the equity and on the credit side. Furthermore we added more information on biodiversity and last but not least, we have added new sustainability variables to the quality basket of our quantitative stock selection model.

### 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 developed a framework for analyzing the SDG<sup>1</sup> contribution of companies and worked on SDG investment solutions. Currently multiple solutions are available both in equity and fixed income and the amount of assets that are managed in line with this SDG methodology is increasing rapidly.

<sup>1</sup> Sustainable Development Goals as defined by the United Nations

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.

### Combatting climate change

Robeco's climate change policy includes integrating climate issues in investments when financially material and engaging with companies. Furthermore climate risks for our funds are being assessed and monitored by the financial risk management department. In 2020 Robeco expanded its climate change policy by announcing the ambition to achieve net-zero greenhouse gas (GHG) emissions by 2050 across all its assets under management. In 2021 this was followed by the publication of our Net Zero roadmap.

As part of the roadmap Robeco aims to decarbonize its investments 30% by 2025 and 50% by 2030. We aim to follow the Paris agreements which implies we decarbonize our assets 7% per annum on average. Our ability to do so, in the longer run, will however also be dependent on the decarbonization of the global economy. Living up to the same standards it sets for others, Robeco also applies the aim to reach net zero by 2050 to its own operations. It aims to reduce its operational emissions 35% by 2025 and 50% by 2030. This encompasses all emissions associated with business travel, electricity, heating and other business activities. In April 2023 Robeco reported on its progress towards these goals in its sustainability report which can be found at the Robeco website.

### 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, the most pollutive fossil fuel companies, palm oil producers and for companies that severely and structurally violate either the United Nations Global Compact (UNGC) or OECD Guidelines for Multinational Enterprises. We apply strict criteria for this last category and if a dialogue fails the company can be excluded. Robeco publishes its exclusion policy and the list of exclusions on its website.

### 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 H1 2023, we voted at 84 shareholder meetings on behalf of Robeco US Conservative Equities N.V. At 77 (92%) of the 84 meetings, we cast at least one vote against management's recommendation. In addition, Robeco enters into an active dialogue with the companies in which it invests on questions concerning the environment, society and corporate governance.

Robeco has Active Ownership specialists in Rotterdam, London, Singapore and Hong Kong. In H1 2023 Robeco engaged with 211 companies on different issues ranging from corporate governance to health care to climate change. For Robeco US Conservative Equities N.V., we conducted 14 engagement cases, involving 9 value engagement cases, 2 enhanced engagement cases and 3 SDG engagement cases. More information on our processes and themes can be found in the Stewardship Policy.

Value engagement is a proactive approach focusing on long-term issues that are financially material and/or causing adverse sustainability impacts. The primary objective is to create value for investors and mitigating adverse impacts by improving sustainability conduct and corporate governance of companies.

Enhanced engagement focuses on companies that severely and structurally breach minimum behavioral norms in areas such as human rights, labor, environment and anti-corruption. The primary objective of enhanced engagement is to address reported shortfalls against internationally accepted codes of conduct for corporate governance, social responsibility, the environment and transparency.

# Report by the manager (continued)

## Sustainable investing (continued)

### Active ownership (continued)

SDG engagement is to drive a clear and measurable improvement in a company's SDG contribution over three to five years through engagement. By ensuring a company's persistent relevance is reflected by its ability to address key societal needs, this strategy creates value for both investors and society at large.

In 2022 Robeco started engagement on four new sustainable themes: Net Zero Carbon Emissions, Natural Resource Management, Diversity & Inclusion and Nature Action 100. In H2 2023, Robeco will launch three new engagement themes: Forced Labor and Modern Slavery, Just Transition and Tax Transparency. In addition to the three specific themes that will run for the usual engagement period of three years, two wider themes will run on an evergreen basis: climate change and biodiversity. This aims to reflect their long-term importance to investing at Robeco and its commitments to addressing global warming and biodiversity loss.

### Net Zero Carbon Emissions

This theme, launched in Q1 2022, is an extension of our corporate decarbonization theme which opened in Q4 2020. We have expanded the theme by engaging with an additional 15 companies. Our engagement under this theme sets the expectation for companies to set long-term net-zero targets, and to substantiate them with credible short- and medium-term emissions reduction strategies, as well as transition plans that ensure a reduction in real-world emissions over the next decade.

### Natural Resource Management

This engagement theme is focused on companies for whom the management of water use and wastewater discharge is a financial material issue. Companies need to account for the amount of fresh water use that is needed to make certain products – often drawn from places where water is already scarce. Also the discharge of wastewater remains problematic and therefore needs to be addressed. One of the core goals is to encourage companies to report their water and wastewater-related information in a more harmonized way, so that companies are actively thinking and talking about water and wastewater management in a similar, more comparable way.

### Diversity & Inclusion

Human development is also vital to a more sustainable and prosperous world, particularly in reaping the rewards that greater inclusion can bring. This theme builds on prior work in promoting great diversity in the workplace, trying to achieve equal rights – particularly for female participation in more senior roles, including at board level – and making sure that every voice is heard. Our engagement aims to improve embedding Diversity, Equity and Inclusion (DEI) in companies' human capital strategies, setting clear targets to strengthen DEI practices and outcomes. We also expect companies to measure and disclose meaningful data and outcomes related to workforce composition, promotion, recruitment, retention rates and equity pay practices.

### Nature Action 100 (NA100)

This engagement theme is a collaborative engagement program building on the lessons learned from Climate Action 100+. The focus of NA100 will lie with terrestrial, fresh water and marine biomes addressing dependencies and impacts on biodiversity driven by deforestation, overfishing and pollution. The Nature Action 100 governance structure is currently under negotiation and aims to build on the Nature benchmark of the World Benchmarking Alliance. Company engagements will be initiated in the second half of 2023.

### New regulation; the EU plan for financing sustainable development

The EU's Sustainable Finance Action Plan represents one of the most impactful pieces of regulation to hit the investment management industry since MiFID II. A core tenet of the plan is the Sustainable Finance Disclosure Regulation (SFDR), which classifies investment funds according to their sustainability credentials for the first time. On March 10 2021 all Robeco funds were classified to be either article 6 (do not promote ESG characteristics), article 8 (Environment and Social promoting strategies) or article 9 (strategies with sustainable investment as its objective). Fund documentation, like the prospectus and the factsheets have also been adjusted to contain more and more specific information on how ESG is integrated as the disclosure regulation requires. Lastly a sustainable risk policy, good governance policy and principal adverse impact policy were published on the website, along with a range of other documentation. In 2022 Robeco published a statement on how we are dealing with Principle Adverse Impact of our investments.

# Report by the manager (continued)

## Sustainable investing (continued)

### **Integration of ESG factors in investment processes**

Sustainability factors are integrated in the investment policy. These scores take into account environmental, social and governance (ESG) factors. The investment process is highly disciplined and ensures that the sub-fund's overall sustainability risk rating (based on Sustainalytics ESG Risk ratings) is lower than or equal to the sustainability risk rating of the benchmark. This means that a stock with a lower ESG risk rating is more likely to be included in the portfolio. Companies with a high ESG risk rating have less chance of being included in the portfolio. In addition, the environmental footprint metrics, as measured by greenhouse gas emissions, water usage and waste generation of the portfolio are lower than or equal to that of the benchmark. This means that a stock with low environmental footprint metrics is more likely to be included in the portfolio. Companies with high environmental footprint metrics have less chance of being included in the portfolio.

Robeco US Conservative High Dividend Equities N.V. is classified as Article 8 under the SFDR. More information is available in the precontractual and periodical SFDR disclosures of the fund on our website.

Rotterdam, 31 August 2023  
The Manager

# Semi-annual figures

## Balance Sheet

Before profit appropriation	Notes	30/06/2023 USD' 000	31/12/2022 USD' 000
<b>ASSETS</b>			
<b>Investments</b>			
Equities	1	65,933	71,772
<b>Total investments</b>		<b>65,933</b>	<b>71,772</b>
<b>Accounts receivable</b>			
Other receivables, prepayments and accrued income	2	3,234	320
<b>Total accounts receivable</b>		<b>3,234</b>	<b>320</b>
<b>Other assets</b>			
Cash and cash equivalents	3	127	373
<b>LIABILITIES</b>			
<b>Accounts payable</b>			
Payable to credit institutions	4	1,220	–
Other liabilities, accruals and deferred income	5	1,700	96
<b>Total accounts payable</b>		<b>2,920</b>	<b>96</b>
<b>Accounts receivable and other assets less accounts payable</b>		<b>441</b>	<b>597</b>
<b>Assets less liabilities</b>		<b>66,374</b>	<b>72,369</b>
<b>Composition of shareholders' equity</b>			
	6, 7		
Issued capital	6	1,822	1,914
Share-premium reserve	6	8,883	13,698
Other reserve	6	54,632	59,746
Undistributed earnings	6	1,037	(2,989)
<b>Shareholders' equity</b>		<b>66,374</b>	<b>72,369</b>

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	01/01/2023- 30/06/2023 USD' 000	01/01/2022- 30/06/2022 USD' 000
<b>Direct investment result</b>			
Investment income	9	1,027	751
<b>Indirect investment result</b>			
Unrealized gains	1	3,471	2,326
Unrealized losses	1	(5,766)	(12,886)
Realized gains	1	3,549	4,269
Realized losses	1	(1,024)	(1,171)
Receipts on surcharges and discounts on issuance and repurchase of own shares		6	14
<b>Total operating income</b>		<b>1,263</b>	<b>(6,697)</b>
<b>Costs</b>	12		
Management fee	10	171	176
Service fee	10	55	57
<b>Total operating expenses</b>		<b>226</b>	<b>233</b>
<b>Net result</b>		<b>1,037</b>	<b>(6,930)</b>

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

### Cash flow statement

	Notes	01/01/2023- 30/06/2023 USD' 000	01/01/2022- 30/06/2022 USD' 000
Cash flow from investment activities		4,708	3,209
Cash flow from financing activities		(6,169)	(5,908)
<b>Net cash flow</b>		<b>(1,461)</b>	<b>(2,699)</b>
Currency and cash revaluation		(5)	(67)
<b>Increase (+)/decrease (-) cash</b>	3, 4	<b>(1,466)</b>	<b>(2,766)</b>

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. The fund's financial year is the same as the calendar year. The notes referring to fund shares concern ordinary shares outstanding.

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

Share class A: Robeco US Conservative High Dividend Equities - 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 US dollars.

## Principles for determining the result

### General

Investment results are determined by investment income, rises or declines in stock prices, rises or declines in foreign exchange rates and results of transactions in currencies, including forward transactions and other derivatives. Results are allocated to the period to which they relate and are accounted for in the profit and loss account.

## 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 tracking error, 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. More detailed information on the risk profile of the fund's portfolio can be found in the section on Implementation of the investment policy on page 7.

### 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.

# Notes (continued)

## Risks relating to financial instruments (continued)

### Market risk (continued)

#### Currency risk (continued)

As at the balance sheet date, there were no positions in currency derivatives.

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.

	30/06/2023	30/06/2023	30/06/2023	31/12/2022
Currency exposure	Gross position EUR' 000	Net position EUR' 000	% of net assets	% of net assets
CAD	6,617	6,617	9.97	9.40
EUR	629	629	0.95	0.22
USD	59,128	59,128	89.08	90.38
<b>Total</b>	<b>66,374</b>	<b>66,374</b>	<b>100.00</b>	<b>100.00</b>

#### 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.

As at the balance sheet date, there were no positions in stock market index futures contracts.

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.

#### Concentration risk by country

	30/06/2023	30/06/2023	31/12/2022
	Equities USD' 000	Total exposure USD' 000	% of net assets
Bermuda	328	328	0.49
Canada	6,485	6,485	9.77
Guernsey	635	635	0.96
Ireland	410	410	0.62
Jersey	310	310	0.47
Switzerland	1,152	1,152	1.73
United States of America	56,613	56,613	85.29
<b>Total</b>	<b>65,933</b>	<b>65,933</b>	<b>99.33</b>

# Notes (continued)

## Risks relating to financial instruments (continued)

### Market risk (continued)

#### Concentration risk (continued)

The sector concentrations are shown below.

#### Concentration risk by sector

	30/06/2023	31/12/2022
	% of net assets	% of net assets
Communication Services	7.33	6.93
Consumer Discretionary	9.45	9.99
Consumer Staples	14.98	14.86
Energy	4.64	4.79
Financials	11.99	15.26
Health Care	21.54	23.26
Industrials	9.19	4.09
Information Technology	18.24	16.15
Real Estate	0.67	0.99
Utilities	1.30	2.86
Other assets and liabilities	0.67	0.82
<b>Total</b>	<b>100.00</b>	<b>100.00</b>

### Credit risk

Credit risk occurs when a counterparty of the fund fails to fulfil its financial obligations arising from financial instruments in the fund. Credit 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 credit risk. The figure that best represents the maximum credit risk is given in the table below.

	30/06/2023		31/12/2022	
	USD' 000	% of net assets	USD' 000	% of net assets
Accounts receivable	3,234	4.87	320	0.44
Cash and cash equivalents	127	0.19	373	0.52
<b>Total</b>	<b>3,361</b>	<b>5.06</b>	<b>693</b>	<b>0.96</b>

No account is taken of collateral received in the calculation of the total credit risk. Credit risk is contained by applying limits on the exposure per counterparty as a percentage of the fund assets. As at the balance sheet date there were no counterparties with an exposure of more than 5% of the fund's total assets. All counterparties are pre-approved by Robeco. Procedures have been established relating to the selection of counterparties, specified on the basis of external credit ratings and credit spreads.

### Liquidity risk

We distinguish between Asset Liquidity Risk and Funding Liquidity risk, which are closely connected:

Asset liquidity risk arises when transactions cannot be executed in a timely fashion at quoted market prices and/or at acceptable transaction cost levels due to the size of the trade. Or in more extreme cases, when they cannot be conducted at all. Asset liquidity risk is a function of transaction size, transaction time and transaction cost.

Funding liquidity risk arises when the redemption requirements of clients or other liabilities cannot be met without significantly impacting the value of the portfolio. Funding liquidity risk will only arise if there is also Asset liquidity risk. During the reporting period all client redemptions have been met.

# Notes (continued)

## Risks relating to financial instruments (continued)

### Manager

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'). 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.

### Depository

The assets of the fund are held in custody by J.P. Morgan SE, Amsterdam Branch. J.P. Morgan SE, Amsterdam Branch is appointed as the depository of the fund as referred to in Section 4:62m Wft. The depository 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 SE, Amsterdam Branch have concluded a depository and custodian agreement.

### Liability of the depository

The depository is liable to the fund and/or the Shareholders for the loss of a financial instrument under the custody of the depository or of a third party to which custody has been transferred. The depository 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 depository is also liable to the fund and/or the shareholders for all other losses they suffer because the depository has not fulfilled its obligations as stated in this depository and custodian agreement either deliberately or through negligence. Shareholders may make an indirect claim upon the liability of the depository 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 depository.

### 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. All investments are admitted to a regulated market and have quoted market prices. 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.

	<b>01/01/2023- 30/06/2023 USD' 000</b>	<b>01/01/2022- 30/06/2022 USD' 000</b>
Equities	1	2

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. Other receivables, prepayments and accrued income

These are receivables from declared, not yet received dividends, recoverable tax deducted at source and receivables arising from the issue of own shares and suspense items.

### 3. Cash and cash equivalents

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

### 4. Payable to credit institutions

This concerns temporary debit balances on bank accounts caused by investment transactions.

### 5. Other liabilities, accruals and deferred income

This concerns liabilities from dividends made payable, payable from securities transactions, liabilities from repurchases of own shares and management and service fees due.

## Notes to the balance sheet (continued)

### 6. Shareholders' equity

#### Composition and movements in shareholders' equity

	01/01/2023- 30/06/2023 USD' 000	01/01/2022- 30/06/2022 USD' 000
<b>Issued capital Robeco US Conservative High Dividend Equities - EUR G</b>		
Situation on opening date	1,914	1,953
Received on shares issued	38	117
Paid for shares repurchased	(130)	(188)
Situation on closing date	<b>1,822</b>	<b>1,882</b>
<b>Share premium reserve - Robeco US Conservative High Dividend Equities - EUR G</b>		
Situation on opening date	13,698	15,600
Received on shares issued	2,019	6,368
Paid for shares repurchased	(6,834)	(10,302)
Situation on closing date	<b>8,883</b>	<b>11,666</b>
<b>Other reserves</b>		
Situation on opening date	59,746	43,049
Addition of result in previous financial year	(5,114)	16,697
Situation on closing date	<b>54,632</b>	<b>59,746</b>
<b>Undistributed earnings</b>		
Situation on opening date	(2,989)	18,888
Robeco US Conservative High Dividend Equities - EUR G - dividend paid	(2,125)	(2,191)
Addition to other reserves	5,114	(16,697)
Net result for financial period	1,037	(6,930)
Situation on closing date	<b>1,037</b>	<b>(6,930)</b>
<b>Situation on closing date</b>	<b>66,374</b>	<b>66,364</b>

The authorized share capital of EUR 8.4 million is divided into 8,399,990 ordinary shares and 10 priority shares with a nominal value of EUR 1 each. The priority shares have already been issued. The company's authorized ordinary share capital is divided into four series, of which one is open. 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. The Management Board of Robeco Holding B.V. consists of:

K. (Karin) van Baardwijk  
M.C.W. (Mark) den Hollander  
M. (Marcel) Prins

## Notes to the balance sheet (continued)

### 7. Assets, shares outstanding and net asset value per share

	30/06/2023	30/06/2022	30/06/2021
<b>Robeco US Conservative High Dividend Equities - EUR G<sup>1</sup></b>			
Fund assets in EUR' 000	60,838	63,477	70,726
Situation of number of shares issued at opening date	1,321,352	1,359,993	1,657,434
Shares issued in financial period	38,437	117,052	121,716
Shares repurchased in financial period	(129,563)	(188,381)	(193,833)
Number of shares outstanding	1,230,226	1,288,664	1,585,317
Net asset value per share in EUR	49.45	49.26	44.61
Dividend paid per share during the financial period	1.60 <sup>2</sup>	1.60 <sup>2</sup>	2.40 <sup>2</sup>

<sup>1</sup> This share class is quoted in euros (EUR), while the base currency of the fund is the US dollar (USD). The net assets are therefore stated in thousands of euros.

<sup>2</sup> This distribution is treated as a dividend for tax purposes, but is recognized as partly paid from the share premium for accounting purposes.

### 8. Contingent liabilities

As at balance sheet date, the fund had no contingent liabilities.

## 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

	%
Management fee	0.50
Service fee <sup>1</sup>	0.16

<sup>1</sup> For the share classes, the service fee is 0.16% per year on assets up to EUR 1 billion, 0.14% on assets above EUR 1 billion, and 0.12% on assets above EUR 5 billion.

The management fee covers 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 service fee paid to RIAM covers the administration costs, custody fees (includes custody fees and bank charges), depositary services fees, fund agent fees, 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. The costs for the external auditor incurred by the fund are paid by RIAM from the service fee. The fund's result therefore does not include the costs for the external auditor.

#### 11. Performance fee

Robeco US Conservative High Dividend Equities N.V. is not subject to a performance fee.

#### 12. Ongoing charges

	<b>Robeco US Conservative High Dividend Equities - EUR G</b>	
	<b>01/07/2022- 30/06/2023</b>	<b>01/07/2021- 30/06/2022</b>
	%	%
Management fee	0.50	0.50
Service fee	0.16	0.16
<b>Total</b>	<b>0.66</b>	<b>0.66</b>

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.

#### 13. Turnover rate

The portfolio turnover rate was 29% in the period 1 July 2022 to 30 June 2023 (period 1 July 2021 to 30 June 2022: 63%). 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.

## Notes to the profit and loss account (continued)

### Costs (continued)

#### 14. Transactions with affiliated parties

No transactions were effected with affiliated parties during the reporting period other than calculated management costs and the service fee. During the reporting period the fund paid RIAM the following amounts in management fee and service fee:

	<b>Counterparty</b>	<b>01/01/2023- 30/06/2023 USD' 000</b>	<b>01/01/2022- 30/06/2022 USD' 000</b>
Management fee	RIAM	171	176
Service fee	RIAM	55	57

#### 15. 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.

#### 16. 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 59257911.

## Currency table

### Exchange rates

	30/06/2023	31/12/2022
	USD = 1	USD = 1
CAD	1.3233	1.3550
EUR	0.9166	0.9370

# Schedule of Investments

As at 30 June 2023

Investments	Currency	Quantity/ Nominal Value	Market Value USD' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing				
Equities				
<i>Bermuda</i>				
Everest Re Group Ltd.	USD	958	328	0.49
			<u>328</u>	<u>0.49</u>
<i>Canada</i>				
BCE, Inc.	CAD	12,532	572	0.86
Canadian Imperial Bank of Commerce	CAD	14,963	640	0.96
Canadian Utilities Ltd. 'A'	CAD	6,161	160	0.24
CGI, Inc.	CAD	5,538	585	0.88
Great-West Lifeco, Inc.	CAD	16,345	475	0.72
Hydro One Ltd., Reg. S	CAD	24,514	701	1.06
Intact Financial Corp.	CAD	4,646	718	1.08
Metro, Inc.	CAD	10,011	566	0.85
National Bank of Canada	CAD	4,673	348	0.53
Pembina Pipeline Corp.	CAD	15,152	477	0.72
RioCan Real Estate Investment Trust	CAD	4,717	69	0.10
Royal Bank of Canada	CAD	8,557	818	1.23
SmartCentres Real Estate Investment Trust	CAD	5,010	92	0.14
Thomson Reuters Corp.	CAD	1,955	264	0.40
			<u>6,485</u>	<u>9.77</u>
<i>Guernsey</i>				
Amdocs Ltd.	USD	6,424	635	0.96
			<u>635</u>	<u>0.96</u>
<i>Ireland</i>				
Trane Technologies plc	USD	2,141	410	0.62
			<u>410</u>	<u>0.62</u>
<i>Jersey</i>				
Ferguson plc	USD	1,973	310	0.47
			<u>310</u>	<u>0.47</u>
<i>Switzerland</i>				
Chubb Ltd.	USD	5,985	1,152	1.73
			<u>1,152</u>	<u>1.73</u>
<i>United States of America</i>				
AbbVie, Inc.	USD	6,669	899	1.35
Aflac, Inc.	USD	5,507	384	0.58
Allison Transmission Holdings, Inc.	USD	9,058	511	0.77
Amgen, Inc.	USD	2,246	499	0.75
Archer-Daniels-Midland Co.	USD	4,967	375	0.57
Arrow Electronics, Inc.	USD	1,739	249	0.37
Arthur J Gallagher & Co.	USD	1,323	290	0.44
AT&T, Inc.	USD	87,961	1,403	2.11
Automatic Data Processing, Inc.	USD	5,566	1,223	1.84

# Schedule of Investments (continued)

As at 30 June 2023

Investments	Currency	Quantity/ Nominal Value	Market Value USD' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Equities (continued)				
<i>United States of America (continued)</i>				
AutoZone, Inc.	USD	374	933	1.40
Avnet, Inc.	USD	10,935	552	0.83
Belden, Inc.	USD	1,264	121	0.18
Benchmark Electronics, Inc.	USD	14,338	370	0.56
Berkshire Hathaway, Inc. 'B'	USD	1,495	510	0.77
Bristol-Myers Squibb Co.	USD	14,477	926	1.39
Buckle, Inc. (The)	USD	15,580	539	0.81
Cardinal Health, Inc.	USD	6,059	573	0.86
Chemed Corp.	USD	697	378	0.57
Chevron Corp.	USD	8,049	1,267	1.91
Cigna Group (The)	USD	2,532	710	1.07
Cirrus Logic, Inc.	USD	5,699	462	0.70
Cisco Systems, Inc.	USD	32,748	1,694	2.55
Coca-Cola Co. (The)	USD	14,122	850	1.28
Conagra Brands, Inc.	USD	9,870	333	0.50
Diamond Hill Investment Group, Inc.	USD	363	62	0.09
Dolby Laboratories, Inc. 'A'	USD	6,479	542	0.82
Eli Lilly & Co.	USD	4,223	1,980	2.98
Ennis, Inc.	USD	24,805	506	0.76
Equity Commonwealth, REIT	USD	13,888	281	0.42
Ethan Allen Interiors, Inc.	USD	10,297	291	0.44
Exxon Mobil Corp.	USD	4,518	485	0.73
Flowers Foods, Inc.	USD	1,768	44	0.07
General Mills, Inc.	USD	12,019	922	1.39
Genuine Parts Co.	USD	4,695	795	1.20
Gilead Sciences, Inc.	USD	9,792	755	1.14
H&R Block, Inc.	USD	6,388	204	0.31
Hershey Co. (The)	USD	3,476	868	1.31
Hologic, Inc.	USD	1,947	158	0.24
Houlihan Lokey, Inc.	USD	834	82	0.12
Ingles Markets, Inc. 'A'	USD	7,278	602	0.91
Insight Enterprises, Inc.	USD	1,347	197	0.30
International Business Machines Corp.	USD	10,514	1,407	2.12
Johnson & Johnson	USD	11,109	1,839	2.77
Juniper Networks, Inc.	USD	21,587	676	1.02
Kearny Financial Corp.	USD	462	3	—
Kimberly-Clark Corp.	USD	1,276	176	0.27
Kinder Morgan, Inc.	USD	49,581	854	1.29
Kroger Co. (The)	USD	17,964	844	1.27
Lennar Corp. 'A'	USD	3,401	426	0.64
Lockheed Martin Corp.	USD	1,422	655	0.99
Marsh & McLennan Cos., Inc.	USD	3,779	711	1.07
Maximus, Inc.	USD	3,748	317	0.48
McDonald's Corp.	USD	6,813	2,033	3.06
McKesson Corp.	USD	2,374	1,014	1.53
Merck & Co., Inc.	USD	17,210	1,986	2.99
Motorola Solutions, Inc.	USD	1,992	584	0.88
MSC Industrial Direct Co., Inc. 'A'	USD	894	85	0.13

# Schedule of Investments (continued)

As at 30 June 2023

Investments	Currency	Quantity/ Nominal Value	Market Value USD' 000	% of Net Assets
Transferable securities and money market instruments admitted to an official exchange listing (continued)				
Equities (continued)				
<i>United States of America (continued)</i>				
Murphy USA, Inc.	USD	1,985	618	0.93
National HealthCare Corp.	USD	7,505	464	0.70
NetScout Systems, Inc.	USD	4,479	139	0.21
NVE Corp.	USD	2,069	202	0.30
NVR, Inc.	USD	28	178	0.27
Omnicom Group, Inc.	USD	7,981	759	1.14
Oracle Corp.	USD	15,733	1,874	2.82
O'Reilly Automotive, Inc.	USD	171	163	0.25
OSI Systems, Inc.	USD	699	82	0.12
PACCAR, Inc.	USD	2,000	167	0.25
Paychex, Inc.	USD	4,434	496	0.75
PepsiCo, Inc.	USD	4,911	910	1.37
Pfizer, Inc.	USD	31,851	1,168	1.76
Procter & Gamble Co. (The)	USD	12,754	1,935	2.92
PulteGroup, Inc.	USD	1,222	95	0.14
Quest Diagnostics, Inc.	USD	1,622	228	0.34
Republic Services, Inc.	USD	5,577	854	1.29
Safety Insurance Group, Inc.	USD	2,460	176	0.27
Sanmina Corp.	USD	9,368	565	0.85
Sprouts Farmers Market, Inc.	USD	12,573	462	0.70
Synopsys, Inc.	USD	1,209	526	0.79
T-Mobile US, Inc.	USD	5,547	770	1.16
Toro Co. (The)	USD	1,032	105	0.16
Travelers Cos., Inc. (The)	USD	5,163	897	1.35
Verizon Communications, Inc.	USD	36,536	1,359	2.05
Vertex Pharmaceuticals, Inc.	USD	1,198	422	0.63
Virtu Financial, Inc. 'A'	USD	18,102	309	0.47
Vishay Intertechnology, Inc.	USD	21,978	646	0.97
Walmart, Inc.	USD	6,731	1,058	1.59
Waterstone Financial, Inc.	USD	3,467	50	0.08
WW Grainger, Inc.	USD	249	196	0.30
Zimmer Biomet Holdings, Inc.	USD	2,094	305	0.46
			56,613	85.29
Total Equities			65,933	99.33
Total Transferable securities and money market instruments admitted to an official exchange listing			65,933	99.33
<b>Total Investments</b>			<b>65,933</b>	<b>99.33</b>
<b>Cash</b>			<b>127</b>	<b>0.19</b>
<b>Other Assets/(Liabilities)</b>			<b>314</b>	<b>0.48</b>
<b>Total Net Assets</b>			<b>66,374</b>	<b>100.00</b>

# Schedule of Investments (continued)

Rotterdam, 31 August 2023

The Manager

Robeco Institutional Asset Management B.V.

Daily policymakers RIAM:

K. (Karin) van Baardwijk

I.R.M. (Ivo) Frielink

M.C.W. (Mark) den Hollander

M.F. (Mark) van der Kroft

A. (Alexander) Preininger

M. (Marcel) Prins

# Other information

## Directors' interests

The daily policymakers of RIAM (the management board and manager of the fund) had no personal interests in the investments of the Fund on 1 January 2023 and 30 June 2023.

## Auditor

No external audit has been conducted.