

Sustainability-related disclosure

RobecoSAM Sustainable Water Equities

This document provides you with information about this fund in relation to the Sustainable Finance Disclosure Regulation. It is not marketing material. The information is required by law to help you understand the sustainability characteristics and/or objectives and risks of this fund. You are advised to read it in conjunction with other relevant documentation on this fund so you can make an informed decision about whether to invest.

(b) No significant harm to the sustainable investment objective
How are the indicators for adverse impacts in Table 1 of Annex I, and any relevant indicators in Tables 2 and 3 of that Annex I, taken into account?
Robeco's SDG Framework assesses the contribution of companies to the Sustainable Development Goals (SDGs). Many PAI indicators are either directly or indirectly included in the SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators. A detailed description of the incorporation of Principal Adverse Impact is available via Robeco's Principal Adverse Impact Statement .
Are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights?
The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via Robeco's Exclusion Policy and Robeco's SDG Framework.

(c) Sustainable investment objective of the financial product
What is the sustainable investment objective of the financial product?
<p>The sustainable investments of the Fund aim to help mitigate the global challenges related to scarcity, quality, and allocation of water. The sustainable investment objective is attained by mainly investing in companies that advance the following United Nations Sustainable Development Goals (SDGs): Good health and well-being (SDG 3), Clean water and sanitation (SDG 6), Industry, innovation and infrastructure (SDG 9), Sustainable cities and communities (SDG 11), Responsible consumption and production (SDG 12), and Life below water (SDG 14).</p> <p>A part of the investments made by the Fund contribute to the following environmental objectives of the Taxonomy regulation:</p> <ul style="list-style-type: none">• Sustainable use and protection of water and marine resources• Pollution prevention and control <p>The sustainability indicators towards meeting the sustainable investment objective are the following:</p> <ol style="list-style-type: none">1. The number of companies with a positive or allowed neutral SDG score.2. The % of investments in securities that are on Robeco's Exclusion list as result of the application of Robeco's Exclusion policy.3. The % of holdings that are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises.4. The number of holdings and agenda items voted.

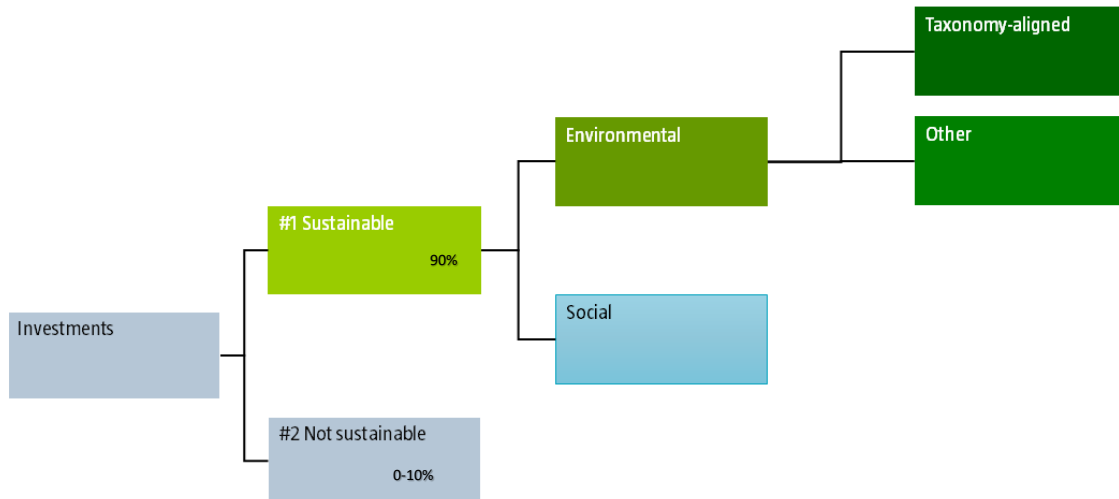
(d) Investment strategy
What is the investment strategy used to meet the sustainable investment objective of the financial product?
RobecoSAM Sustainable Water Equities is an actively managed fund that invests globally in companies offering products and services across the water value chain. The selection of these stocks is based on fundamental analysis. The strategy integrates sustainability indicators on a continuous basis as part of the stock selection process. Amongst others, the Fund applies norms-based and activity-based exclusions, Robeco's good governance policy and considers Principal Adverse Impacts in the investment process. If the Fund is granted with the French SRI label, the Fund will target a reduction factor of its ESG universe relative to its initial investment universe of at least 20% as a result of the applied sustainability elements.
What is the policy to assess good governance practices of the investee companies, including with respect to sound management structures, employee relations, remuneration of staff and tax compliance?

Robeco has a Good Governance policy to assess governance practices of companies. Robeco's Good Governance policy applies to the Fund. For more information, refer to <https://www.robeco.com/docm/docu-robeco-good-governancepolicy.pdf>.

(e) Proportion of investments

Minimum Sustainable Investment: 90%

Asset allocation table



(f) Monitoring of sustainable investment objective

How are the sustainable investment objective and the sustainability indicators used to measure the attainment of the sustainable investment objective monitored throughout the lifecycle of the financial product and what are the related internal or external control mechanisms?

1. The second line of defense (Risk Management) excludes all companies with a SDG score less than 0 as well as not allowed neutral SDG scores and facilitates pre-trade compliance.
2. All exclusions are coded in the Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place.
3. All exclusions in relation to Controversial behavior are coded in the Trading & Compliance module, through which investing in an excluded asset is not possible. In addition, post-trade checks take place.
4. The proxy voting policy is reviewed on an annual basis, including voting principles in relation to ESG topics. Changes to the policy are presented to the Sustainability and Impact Strategy Committee. Voting behaviour on ESG topics are monitored in the first line. On an annual basis the implementation of the voting policy is tested as part of our ISAE framework.

(g) Methodologies

What are the methodologies to measure the attainment of the sustainable investment objectives and how are the sustainability indicators used to measure the attainment of that sustainable investment objective?

Robeco maintains comprehensive methodology documents of our proprietary analytical frameworks on our website. These whitepapers go into greater depth, provide further insight into data sources and processes applied within their respective domains. More information in relation to these methodologies can be found at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

In addition, for some social and environmental characteristics, Robeco relies on externally sourced content for which we aim to select the best of breed vendor for each of our target characteristics. Each vendor will have its own approach and set of internal processes, over which we have only limited influence as an end consumer. More information with regards to these methodologies can be found at <https://www.robeco.com/docm/docu-robeco-sfdr-data-disclosures.pdf>.

(h) Data sources and processing

- (a) How are data sources used to attain the sustainable investment objective of the financial product?
- (b) What measures are taken to ensure data quality?
- (c) How is data processed?
- (d) What is the proportion of data that are estimated?

The Fund uses the following data sources:

1. The SDG Framework uses data derived from the internal process.
2. The exclusion process uses several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, and Freedom House, Fund for Peace and International Sanctions.
3. The controversial behavior process uses data derived from Sustainalytics and the internal process.
4. The proxy voting process uses data derived from internal processes, aided by content from Glass Lewis and ISS.

Robeco scrutinises the data quality of each provider during due diligence assessments, that includes reviewing the data model, performing statistical checks and evaluating coverage. Data processing takes places in different forms, the preference is always to have data acquisition as automated as possible to avoid any operational risks or unnecessary human intervention.

It is currently complex to report sufficiently accurate yet broad numbers on the proportion of data that is estimated. Robeco has calculated the weighted proportion of assets covered per PAI within our standard equity and fixed income benchmarks. These figures have been calculated per provider and, where relevant, we used this coverage figure as a determining factor in our choice of vendor for that PAI since, ceteris paribus, we prefer higher coverage for our investible universe.

Robeco intends to investigate a methodology for determining the proportion of data that has been internally enriched to support wider applications, e.g., by cascading to the broader corporate structure or using sector averages as proxies. Evaluating the proportion of vendor sourced data that is estimated remains a challenge due to insufficient metadata.

More information in relation to data quality and processing can be found in the SFDR data disclosures available at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

(i) Limitations to methodologies and data

What are potential limitations to the methodologies or data sources and how do such limitations not affect how the sustainable investment objective of the financial product is attained?

The primary limitation to the methodology or data source is the lack of corporate disclosure. Like many other financial market participants, we struggle to find adequate information on the principal adverse indicators. To overcome this issue, we have resorted to using multiple data providers, since each has its own respective strengths and weaknesses. We do not expect the corporate reporting landscape to change significantly until the anticipated introduction of CSRD in 2025.

In terms of methodology, we frequently see divergence in the way that data vendors deal with certain topics. For instance, for GHG emissions, some vendors blend corporate reporting with modelled data. It has been a common experience to note that 'reported' data can vary between providers due to conflicting policies, quality assurance and other case-by-case factors. We are not alone in this view as evidenced by the numerous reports from industry associations and trade bodies such as EuroSIF and IOSCO on the quality and transparency of ESG data products. Our environmental objectives are predominantly linked to more mature themes, specifically carbon, water and waste. Disclosure is far greater today within these areas and so we are able to evaluate a satisfactory proportion of our universe to be able to perform tasks such as exclusions and comparisons between portfolio and benchmark.

Information in relation to data and methodologies can be found in the SFDR data disclosures document available at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

(j) Due diligence

What due diligence is carried out on the underlying assets of the financial product (including the internal and external controls)?

Robeco has incorporated the sustainability aspects of the investment strategies into adequate investment due diligence processes and procedures for the selection and monitoring of investments, amongst others taking into account Robeco's risk appetite and sustainability risk management policies.

Information in relation to due diligence carried out can be found in the Robeco Investment Due Diligence Policy available at <https://www.robeco.com/en/key-strengths/sustainableinvesting/sustainability-reports-policies.html>.

(k) Engagement policies

What is the engagement policy applied, in the case that engagement is part of the sustainable investment objective (including any management procedures applicable to sustainability-related controversies in investee companies)?

The holdings of the fund are subject to the selection process of Robeco's value engagement program, that consists of a constructive dialogue between investors and investee companies to discuss how they manage ESG risks and opportunities, as well as stakeholder impact. Although this type of engagement is not directly related to the sustainable investment objective of the fund, it can be that adverse sustainability impacts are addressed via the value engagement program. More information can be found in Robeco's [Stewardship Policy](#).

(l) Attainment of the sustainable investment objective

For the financial product, has an index been designated as a reference benchmark? If yes, how is that index aligned with the sustainable investment objective of the financial product, and where can one find information with regards to input data, methodologies used to select those data, rebalancing methodologies and index calculations?

The MSCI World Index is a general market index and is not consistent with the sustainable objective of the fund. The index methodology can be found on the relevant webpages by the index provider: <https://www.msci.com>