

# Old World, new money: Are European equities making a comeback?

- European stocks have lagged significantly in the post-2008, US-driven bull market
- Allocating to Europe can make sense from diversification & valuation perspective
- Our new 3D ETFs seek optimal balance between return, risk and sustainability

Could increasing exposure to European equities be beneficial for today's investor? In this paper, we examine the current landscape of European equities markets, introduce Robeco's 3D ETF, and make the case for a European equities allocation. In brief:

**(1) Large European stocks offer balanced and global exposure against attractive valuations:**

- MSCI Europe's sector composition is more balanced than the tech-heavy S&P 500
- The companies in the MSCI Europe derive 60% of their revenues outside of Europe
- European stocks are cheaper than their US counterparts, both from a relative and historical perspective

**(2) Global benchmarks are no longer diversified in terms of country exposure:**

- The MSCI ACWI has a 63% weight in US stocks versus only 17% in Western Europe
- 15 years ago, this ratio was 40% US versus 28% Europe. Equal-weighted indices still offer this better balance
- Phenomenal outperformance of the US in the past ten years is the cause: see Figure 1

**(3) European equities are unloved and under-owned:**

- A cumulative EUR 75 billion has flown out of active European strategies in the past ten years
- Financial history tells us: the smaller the audience, the bigger the miracle
- New money flowing into European equities could trigger a multi-year trend reversal.

For investors seeking a return to the Old World, Robeco provides access to European equities markets through a range of active investment strategies. The latest addition to our offering is our 3D European Equities ETF, designed to deliver an optimal balance of return, risk, and sustainability, while maintaining a competitive, passive-like fee of just 0.25%. In this paper, we outline the key features of the ETF, while first shedding some light on recent history and the current investment landscape.

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Marketing material for professional investors, not for onward distribution



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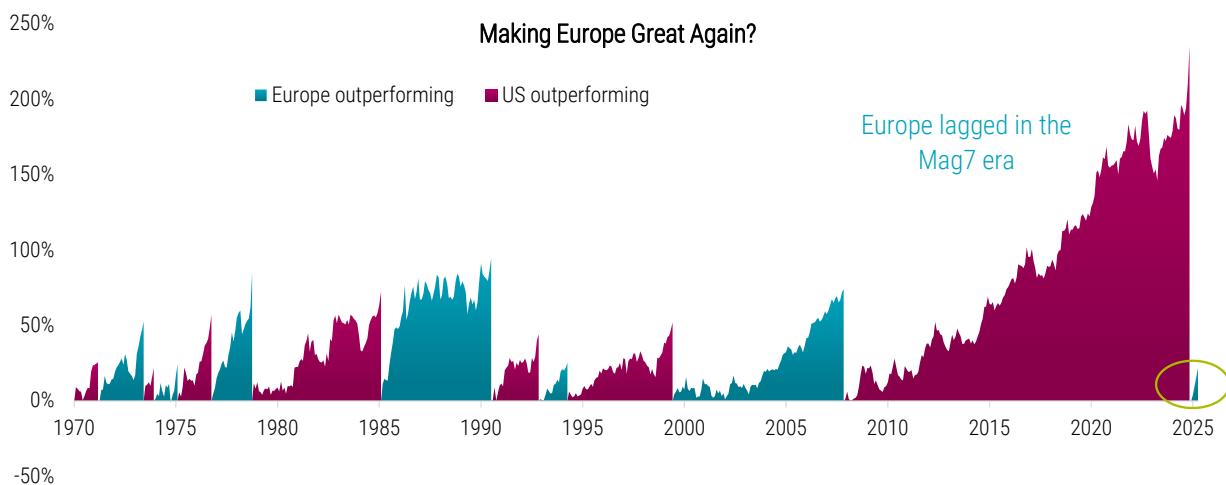
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Client Portfolio Manager

## Background

Let's begin by discussing the remarkable outperformance of US equities compared to their European counterparts. Since 2010, the S&P 500 (in USD) has surged by 616%, while the MSCI Europe Index (in EUR) has returned 221% as of 19 May 2025. Over the past decade alone, these figures translate to gains of 235% for the S&P 500 and 75% for MSCI Europe. During this period, the S&P 500's price-to-earnings (P/E) ratio increased from 18.3x to 25.5x – a rise of 39% – whereas the MSCI Europe's P/E ratio declined from 18.2x to 16.9x, a drop of 7%<sup>1</sup>.

Figure 1 illustrates which region has historically demonstrated market leadership. The recent outperformance of American stocks has been extraordinary by any standard. However, this year marks a shift: the era of 'American exceptionalism' appears to have paused—at least for now—as European stocks have significantly outperformed their U.S. counterparts<sup>2</sup>.

**Figure 1 | Has the extended market leadership for US equities come to an end for now?**



Source: Robeco, LSEG, MSCI. The figure shows the relative performance of the MSCI USA Index versus the MSCI Europe Index. A new cycle begins after the peak of the previously outperforming market, once the previously underperforming market has outperformed by at least 20% from its preceding low. Performance is based on end-of-month total return indices in USD. The sample period spans from January 1970 to April 2025. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

With regards to European equities in the context of a global equities portfolio, what are our main observations? Firstly, that large European stocks offer balanced and global exposure against attractive valuations. Secondly, global benchmarks are no longer diversified in terms of country exposure. Thirdly, that investors have collectively abandoned active European strategies. We go into more detail for each observation in the next sections.

### 1. Large European stocks offer balanced and global exposure against attractive valuations.

While global equities benchmarks are heavily weighted toward large US technology companies, European markets offer a more balanced distribution across sectors and countries. Figure 2 illustrates the current composition of the MSCI Europe Index. Financials and Industrials represent the largest sector weights, yet both encompass a wide range of sub-industries. Moreover, there is significant geographic diversification within each sector, reflecting the broad country exposure across the index.

<sup>1</sup> Source: Bloomberg

<sup>2</sup> Admittedly, this is a partly a currency effect: the weaker USD/ stronger EUR has led to higher returns for the MSCI Europe in USD than in EUR.

Figure 2 – MSCI Europe index composition

	United Kingdom	France	Germany	Switzerland	Netherlands	Sweden	Spain	Italy	Denmark	Belgium	Ireland	Total
Financials	5.3	2.2	3.5	3.0	1.3	1.2	2.0	2.2	0.3	0.4	0.2	22.5
Industrials	3.3	4.8	3.5	1.4	0.7	2.4	0.5	0.3	0.6	0.5	0.1	17.9
Health Care	3.1	2.0	0.9	5.3	0.2				2.1	0.5		14.4
Consumer Staples	3.9	1.6	0.3	2.7	0.8	0.1			0.1	0.5	0.1	10.5
Consumer Discretionary	1.1	2.6	1.4	0.9	0.5	0.2	0.8	0.8	0.1			8.5
Information Technology	0.3	0.6	3.0	0.1	2.5	0.4						7.0
Materials	1.3	1.2	0.8	1.3	0.3	0.2				0.2		5.5
Utilities	1.1	0.5	0.5				1.1	0.8				4.4
Communication Services	0.6	0.5	1.2	0.1	0.4	0.9	0.4					4.3
Energy	2.3	1.1					0.1	0.3				4.2
Real estate	0.1	0.2	0.3									0.8
<b>Total</b>	<b>22.4</b>	<b>17.2</b>	<b>15.4</b>	<b>14.9</b>	<b>6.6</b>	<b>5.5</b>	<b>4.8</b>	<b>4.6</b>	<b>3.5</b>	<b>1.5</b>	<b>0.5</b>	

Source: Robeco. As of 30 April 2025. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

In addition, European large-cap companies provide significant exposure to global revenue streams. Figure 3 presents the 2024 geographical revenue breakdown for the ten largest constituents of the MSCI Europe Index. On average, approximately 60% of the revenues generated by MSCI Europe companies originate from outside Europe, underscoring their global reach and diversification.

Figure 3 – Revenues exposure top 10 stocks in MSCI Europe, in USD billion

Company	Total	Europe	Rest of World	% Europe of total
SAP	36	17	19	47%
Nestlé	104	20	84	19%
ASML Holding	30	2	28	7%
Roche Holding	68	16	52	24%
AstraZeneca	54	12	42	22%
Shell	284	92	192	32%
Novo Nordisk	42	9	33	21%
Novartis	51	25	26	49%
HSBC Holdings	85	40	45	47%
Siemens	34	18	16	53%

Source: Bloomberg. 2024 figures. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

European equities are often viewed as attractively valued, particularly when compared to their US counterparts. The region continues to trade at a discount relative to the US market, which many investors see as a compelling entry point.

However, two important caveats should be considered:

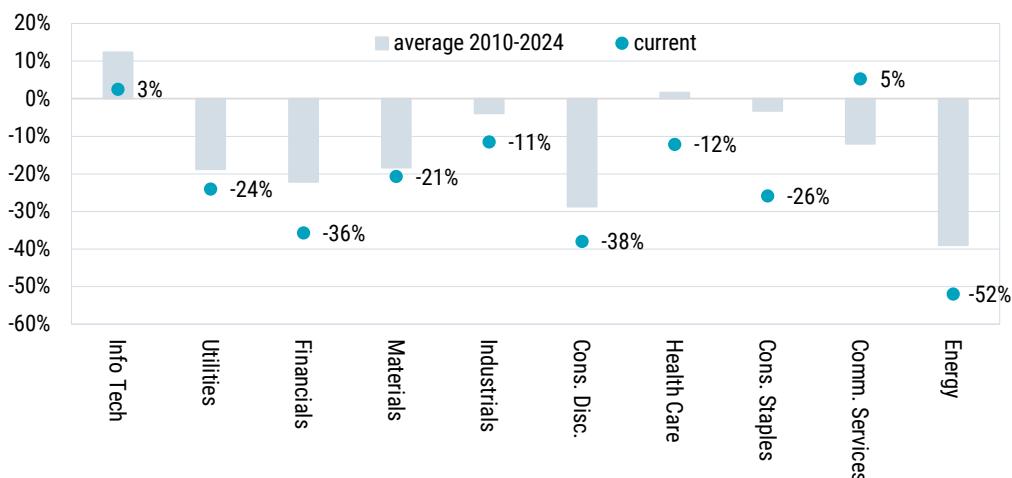
- The US equities market has a markedly different sector composition, with a greater emphasis on growth-oriented sectors such as Information Technology and Health Care. This naturally leads to structurally higher valuations, especially when using traditional metrics like the price-to-book ratio, which tend to be less informative for growth stocks.
- Higher valuations in the US may also be justified by a stronger focus on shareholder value, in contrast to the more stakeholder-oriented approach commonly seen in Europe.

Given these differences, we prefer to assess valuations on a sector-by-sector basis and relative to historical averages. Figure 4 compares the current forward price-to-earnings (P/E) ratios of MSCI Europe and S&P 500 sectors. The data shows that (1) most European sectors are trading at lower valuations than their US counterparts, and (2) the valuation gap is wider than the historical average over the past fifteen years. Notable exceptions include the Information Technology sector – dominated in Europe by SAP and ASML – and the Communication Services sector, where Spotify's elevated forward P/E of 65x skews the average.

While we view European equities as relatively attractively valued, we do not consider valuation alone to be a reliable short-term timing tool. Instead, we believe the case for increased exposure to European equities is better supported by three structural factors: (1) the balanced and globally diversified nature of the MSCI Europe Index, (2) the concentration risk in global market cap-weighted benchmarks, and (3) the potential reversal of persistent outflows from active European equities funds.

Together, these elements present a more compelling rationale for renewed investor interest in European equities over the coming years.

Figure 4 – Sector by sector valuation comparison: forward P/E MSCI Europe versus S&P 500 sectors

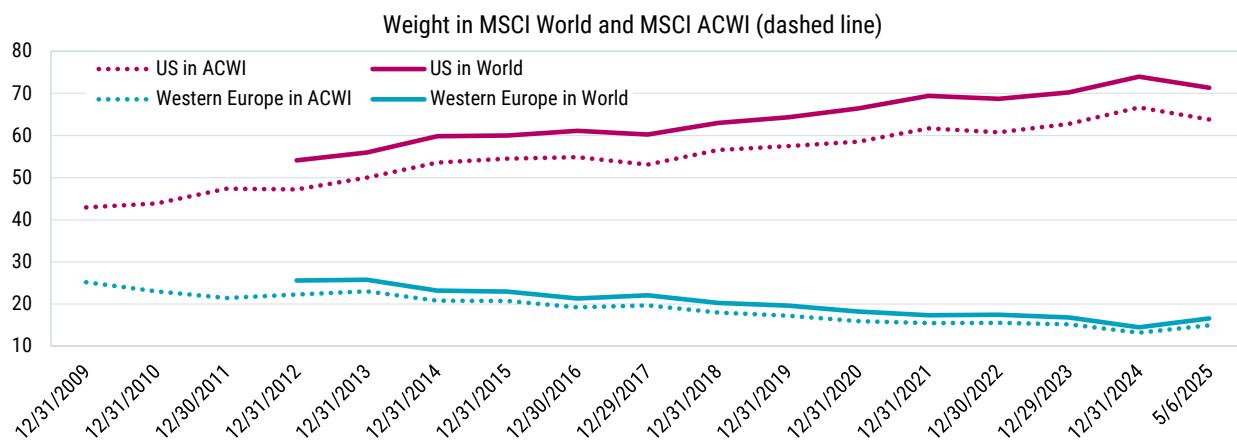


Source: Bloomberg, Robeco. As of 30 April 2025. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

## 2. Global benchmarks are no longer in terms of country exposure

The exceptional outperformance of U.S. equities has significantly reshaped the composition of global benchmarks such as the MSCI World Index and the MSCI All Country World Index (ACWI). Currently, the US accounts for approximately 63% of the MSCI ACWI and 69% of the MSCI World Index – down slightly from a peak of 75% reached just a few months ago. In contrast, the weight of Western European equities within these indices has declined substantially, reflecting the relative underperformance of the region over the past decade.

Figure 5 – Regional weights MSCI ACWI through time

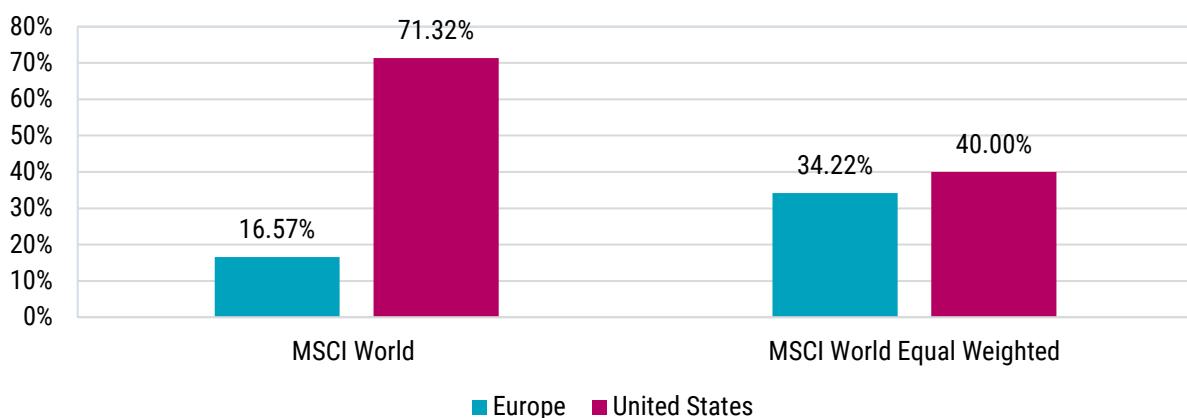


Source: Bloomberg, based on iShares MSCI ACWI ETF (ACWI US) and iShares MSCI World ETF (URTH US). Average of 'country of domicile' and 'country of risk' in Bloomberg PORT. These weights can differ slightly from the official MSCI figures. As of 6 May 2025. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

Interestingly, when we examine equal-weighted indices, the regional imbalance largely disappears. Figure 6 illustrates this by comparing the country weights in the standard MSCI World Index with those in the MSCI World Equal-Weighted Index. The stark contrast between the two highlights the outsized influence of a small number of US mega-cap stocks on the standard index – raising valid concerns about its level of diversification.

For investors seeking more balanced regional exposure, there are two primary options: switch to an equal-weighted version of the MSCI World Index, or increase their allocation to European equities. Since the former may be too radical a shift for many investors, a more practical approach could be to increase exposure to European stocks within a broader global portfolio.

Figure 6 – MSCI World Equal Weighted has a more balanced regional allocation



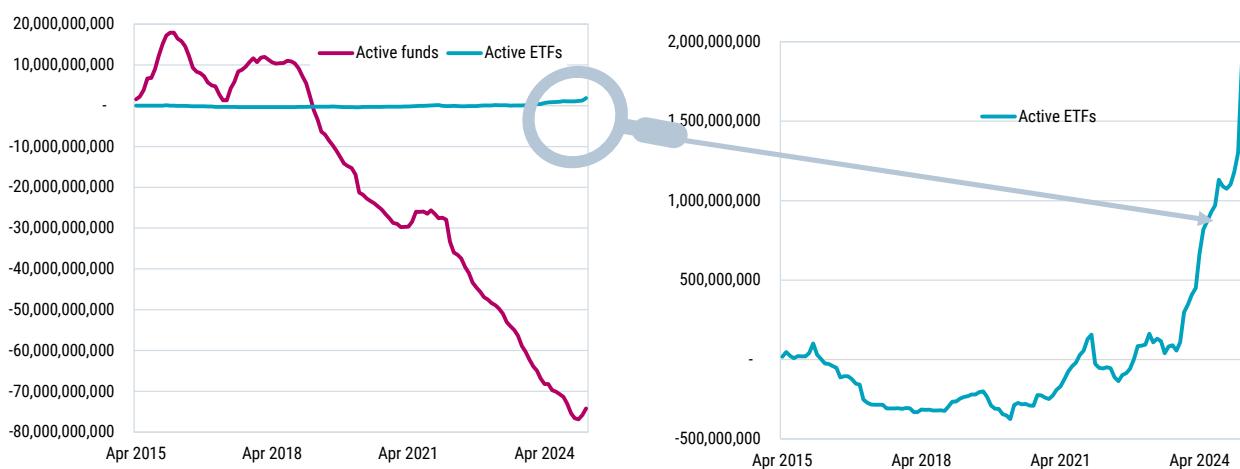
Source: Bloomberg, based on iShares MSCI World ETF (URTH US) and Invesco MSCI World Equal Weighted. As of 6 May 2025. This figure is for illustrative purposes only and does not represent a particular investment product or strategy.

### 3. European equities are unloved and under-owned

US equities began outperforming their European counterparts around 2012. As this trend intensified and reached unprecedented levels, many investors gradually abandoned European markets. This shift is clearly reflected in fund flow data. Figure 7 illustrates the cumulative outflows from active European equities strategy since 2015. The trend became particularly pronounced from 2019 onwards, as sentiment toward active European strategies turned sharply negative – showing only now a modest recovery, 2025. As is often the case, such extreme pessimism can set the stage for a sharp reversal: when the audience is small, the surprise can be great.

At the same time, we are witnessing growing interest in active ETFs, which blend the benefits of active management with the lower fees typically associated with passive investing. Our new Robeco 3D European Equities ETF aligns well with this trend. After we briefly discuss risks to our investment view, in the next section of this paper we will delve deeper into the strategy behind this innovative product.

Figure 7 – Cumulative flows active European strategies and ETFs



Source: Broadridge Global Market Intelligence. As of 31 March 2025. These charts are for illustrative purposes only.

#### Risks to our view

Naturally, every investment view carries risks, and there are several scenarios in which US equities could continue to outperform – or conversely, in which European equities could lag. Three key concerns are:

- (1) Structurally lower economic growth in Europe, driven in part by demographic trends.
- (2) The dominance of US-listed companies in the AI and broader technology race, which could continue to attract disproportionate investor attention and capital.
- (3) Europe's geographic proximity to geopolitically unstable regions, which may pose additional risks to corporate earnings and investor sentiment.

The first concern is somewhat mitigated by the global revenue exposure of most European large-cap companies. Moreover, Europe's slower economic growth is not a new development – it has been a known factor for years and is likely already priced into valuations. As for the second point, while the US currently leads in AI innovation, many of the best-positioned stocks already trade at elevated valuation levels, making it difficult to predict how much further this trend could go. Lastly, the impact of geopolitical instability on European corporate earnings is inherently uncertain and difficult to quantify.

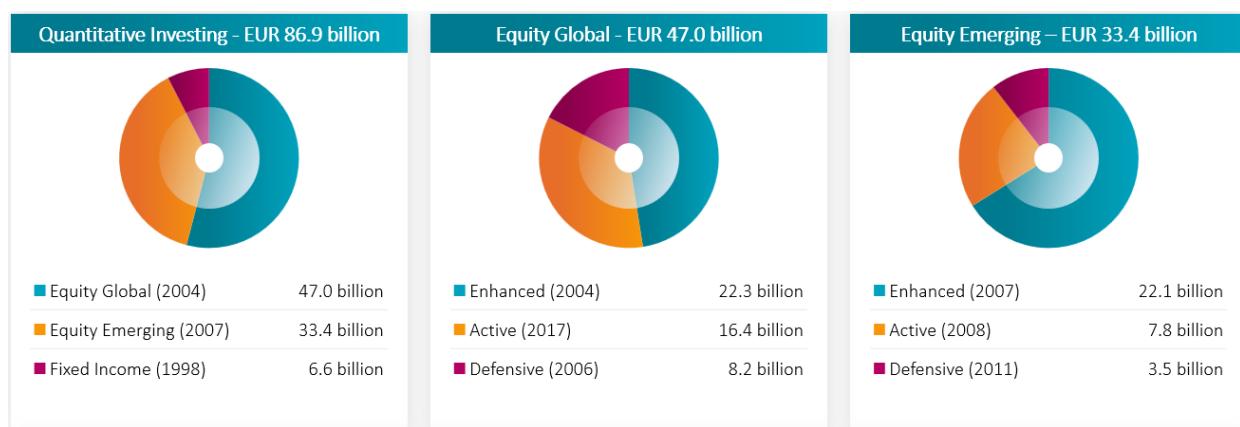
We do not engage in market timing, and short-term regional allocation shifts are notoriously challenging. However, based on the arguments presented in this paper – including the balanced and globally diversified nature of European equities, the concentration risk in global benchmarks, and the historically low allocations to active European strategies – we believe that increasing exposure to European equities represents a prudent long-term investment decision.

## Robeco 3D European Equities ETF: Optimal balance between returns, risk and sustainability

In today's complex market environment – marked by concentration risk, trade tensions, geopolitical uncertainty, and a growing focus on sustainability – investors face increasing challenges in building resilient portfolios. A broadly diversified strategy that balances return, risk, and sustainability may offer the most effective solution. The Robeco 3D European Equities ETF is designed to meet this need for investors seeking European equities exposure.

Drawing on over 20 years of enhanced indexing expertise, the ETF uses a proven, data-driven stock selection model that integrates real-time signals, expert oversight, and advanced sustainability metrics – all at a passive-like fee of 0.25%. Robeco has managed quantitative equities strategies since 2004 and currently oversees EUR 86.9 billion in assets, supported by a team of over fifty researchers and portfolio managers.

Figure 8 – Assets under management Robeco Quantitative Equities



Source: Robeco data end of March 2025. All figures are based on preliminary data.

Let's take a closer look at the design and key differentiators of the Robeco 3D European Equities ETF, and how it enables investors to participate in Europe's comeback story with both confidence and sophistication. This ETF is tailored for investors seeking more than just broad market exposure to European equities. It offers a refined solution that integrates three core pillars:

### 1. Stability & adaptability

The ETF is powered by a proprietary model built on over two decades of quantitative research. It blends well-established investment factors – such as value, quality, and momentum – with alternative data signals that capture shorter-term market dynamics. By incorporating advanced tools like machine learning and natural language processing, the model adapts to evolving market conditions while remaining grounded in a disciplined, benchmark-aware framework.

### 2. Robust risk management

With a targeted tracking error of 1.5%, the ETF strikes a careful balance between staying close to the benchmark and making dynamic, research-driven allocations. This approach helps avoid excessive concentration in individual stocks or sectors, while aiming to deliver consistent alpha over time. Risk is further managed through regular rebalancing to maintain alignment with factor exposures and long-term objectives. Trading is executed with a strong focus on liquidity and turnover, minimizing costs and preserving performance.

### 3. Sustainability by design

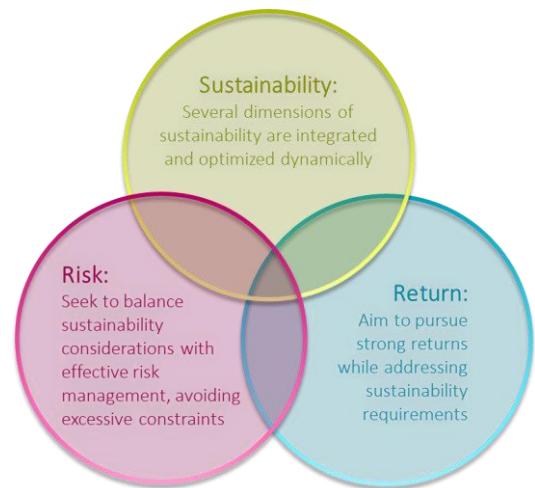
Sustainability is not an afterthought – it is embedded into both stock selection and portfolio construction. Rather than relying on rigid exclusions or static ESG screens, the ETF employs a multi-dimensional framework that considers environmental footprints, ESG risk ratings, and alignment with the UN Sustainable Development Goals.

The strategy does not target a fixed sustainability outcome; instead, it adjusts its sustainability profile dynamically in response to market conditions and investment opportunities. This ensures that sustainability is integrated in a pragmatic, responsive way – aligned with the ETF's broader objectives for return and risk.

### The bottom line

In a market defined by rising complexity, limited clarity, and growing demand for stability, the Robeco 3D European Equities ETF is purpose-built to help investors outsmart the index. It combines disciplined, research-driven stock selection with robust risk management and integrated sustainability. By consistently applying a proven investment process, the ETF is well-positioned to navigate today's challenges. For investors seeking smarter exposure to European equities, it offers a transparent, dynamic, and cost-efficient solution rooted in the core principles of long-term investing.

The table below illustrates how the portfolio construction process targets diversified outperformance, with the strategy maintaining hundreds of active overweight and underweight positions. Active country and sector tilts are tightly controlled, with deviations limited to just 1% from the MSCI Europe Index.



**Table 1 - Main current active overweight and underweight positions versus MSCI Europe**

Name	Country	Sector	Active Weight	Name	Country	Sector	Active Weight
Euronext NV	France	Financials	0.68%	Lloyds Banking Group plc	United Kingdom	Financials	-0.50%
Symrise AG	Germany	Materials	0.67%	Industria de Diseno Textil, S.A.	Spain	Consumer Discretionary	-0.51%
Iberdrola SA	Spain	Utilities	0.67%	Anheuser-Busch InBev SA/NV	Belgium	Consumer Staples	-0.51%
Orange SA	France	Communication Services	0.65%	Deutsche Telekom AG	Germany	Communication Services	-0.52%
Danone SA	France	Consumer Staples	0.65%	ING Groep NV	Netherlands	Financials	-0.52%
Deutsche Boerse AG	Germany	Financials	0.65%	Rio Tinto plc	United Kingdom	Materials	-0.53%
Beazley Plc	United Kingdom	Financials	0.64%	Diageo plc	United Kingdom	Consumer Staples	-0.54%
Givaudan SA	Switzerland	Materials	0.64%	LVMH Moet Hennessy Louis Vuitt	France	Consumer Discretionary	-0.57%
3i Group plc	United Kingdom	Financials	0.64%	BAE Systems plc	United Kingdom	Industrials	-0.58%
Poste Italiane SpA	Italy	Financials	0.64%	Enel SpA	Italy	Utilities	-0.60%
Telia Company AB	Sweden	Communication Services	0.64%	Rheinmetall AG	Germany	Industrials	-0.60%
Klepierre SA	France	Real Estate	0.63%	London Stock Exchange Group plc	United Kingdom	Financials	-0.63%
Fresenius SE & Co. KGaA	Germany	Health Care	0.63%	BP PLC	United Kingdom	Energy	-0.69%
Kerry Group Plc Class A	Ireland	Consumer Staples	0.62%	Rolls-Royce Holdings plc	United Kingdom	Industrials	-0.72%
Gemtab A/S	Denmark	Health Care	0.62%	BNP Paribas S.A. Class A	France	Financials	-0.73%
Credit Agricole SA	France	Financials	0.61%	British American Tobacco p.l.c.	United Kingdom	Consumer Staples	-0.74%
Reckitt Benckiser Group plc	United Kingdom	Consumer Staples	0.61%	Banco Santander, S.A.	Spain	Financials	-0.74%
NatWest Group Plc	United Kingdom	Financials	0.61%	Safran SA	France	Industrials	-0.79%
Amadeus IT Group SA Class A	Spain	Consumer Discretionary	0.60%	Airbus SE	France	Industrials	-0.85%
GEA Group Aktiengesellschaft	Germany	Industrials	0.60%	Air Liquide SA	France	Materials	-0.92%

Source: Robeco. As of 30 April 2025. This is not a buy, sell or hold recommendation for any particular security. The information shown is for illustrative purposes only. No representation is made that these examples are past or current recommendations.

**Table 2 - Key product characteristics Robeco 3D European Equities ETF – 30 April 2025**

Primary ticker	3D3D
ISIN	IE0007WLHX89
Replication strategy	Physical
Fund management approach	Active
Investment strategy type	Enhanced
SFDR classification	8
Fund base & share class currency	EUR
Total size of fund	EUR 11,288,802
Inception date	10-10-2024
Ongoing charges	0.25%
Use of income	Accumulating

Source: Robeco

## Appendix – Additional overview of European Quant Equities offering

Robeco has been offering European quantitative equities strategies since 2007, when we started our European Conservative Equities strategy. Robeco QI European Active Equities followed in 2017 and Robeco QI European Value Equities strategy in 2018. All three strategies have managed to beat the MSCI Europe since inception – gross of fees – as Figure 10 illustrates, showing data as of April 2025.

Figure 9 –Range of European Quant Equities offering

	European Conservative	European Active	European Value
Legal status [Ticker]	Lux SICAV – UCITS	Lux – UCITS	Lux – UCITS Dutch Fund
Benchmark	MSCI Europe	MSCI Europe	MSCI Europe
Information ratio target <sup>1</sup>	-	0.9	-
Tracking error <sup>1</sup>	-	2.0%	-
Dividend payout	4.0%	-	-
ESG risk versus index	Better	Better	Better
Exclusions level <sup>2</sup>	1	1	1
Active ownership	Yes	Yes	Yes
Carbon footprint versus index	Better	Better	Better
Waste & water footprint versus index	Better	Better	Better
SDG exclusions <sup>4</sup>	-	-	-
SFDR classification	8	8	8
# stocks in portfolio <sup>1</sup>	± 125	± 200	± 150
Active share <sup>1</sup>	± 75%	± 50%	± 85%
Country limit over/under	10%/-10%	1.5%/-1.5%	10%/-10%
Sector limit over/under	10%/-10%	1.5%/-1.5%	10%/-10%
Currency policy <sup>5</sup>	Open/ Hedged	Open	Open
Strategy assets, EUR (31-03-2025)	438 mln	2,355 mln	727 mln
Inception date	10/2007	07/2020	02/2018

Past performance is no guarantee of future results. The value of your investments may fluctuate.

Binding elements are denoted in the green font color and pertain to fund vehicles. These do not apply to mandates, which are governed by IMAs.

<sup>1</sup>Long-term expectation. <sup>2</sup>Please refer to the Exclusions appendix for a detailed description of our exclusions. <sup>3</sup>Robeco QI Global SDG & Climate Beta Equities, Robeco QI US Climate Beta Equities, Robeco QI Global SDG & Climate Conservative Equities and Robeco QI Institutional Global Developed Climate Conservative Equities target 50% reduction in carbon footprint versus their main benchmarks (MSCI ACWI, MSCI USA, MSCI ACWI and MSCI World respectively) as well as a lower footprint than their respective MSCI Paris-aligned (EU PAB Overlay) benchmarks. <sup>4</sup>Based on Robeco proprietary UN SDG framework, scoring companies -3 to +3 on UN SDGs. Non-positive scores covers from -3 to 0, with the exception of 0 scoring stocks if they are also part of MSCI Paris-aligned (EU PAB Overlay) benchmarks. <sup>5</sup>FX hedging is implemented at the individual share class level only. Inception dates refer to the starting date of the respective composite accounts.

Figure 10 – Track records of our three longest-running European quant strategies

## Robeco QI European Conservative Equities

Our active approach to low volatility investing. This defensive investment style has led to higher returns by losing less in down markets since inception. The strategy is relatively benchmark-unaware and has an expected beta of 0.7 and expected tracking error of 8%.

Performance (EUR)	Q1 2025	1 year	3 year	10 year	Start (Aug07)
Robeco QI European Conservative Equities	5.86%	16.67%	7.24%	5.95%	6.44%
MSCI Europe Index	-1.34%	6.94%	8.31%	5.52%	4.63%
Excess return	7.21%	9.73%	-1.07%	0.42%	1.81%

## Robeco QI European Active Equities

This strategy aims for outperformance in a benchmark-aware framework, much like the Robeco 3D European Equity ETF, albeit with a higher expected tracking error: European Active has an expected tracking error of 2%, the 3D ETF of 1.5%.

Performance (EUR)	Q1 2025	1 year	3 year	10 year	Start (Sep17)
Robeco QI European Active Equities	-0.26%	10.44%	9.49%	n.a.	7.19%
MSCI Europe Index	-1.34%	6.94%	8.31%		6.75%
Excess return	1.09%	3.50%	1.18%		0.44%

## Robeco QI European Value Equities

Our rules-based approach to value investing aims to reap the value premium while avoiding the pitfalls associated with value investing like value traps, high carbon footprint and volatile stocks. Our active approach leads to an expected tracking error of around 8%.

Performance (EUR)	Q1 2025	1 year	3 year	10 year	Start (Sep18)
Robeco European Value Equities	3.98%	15.15%	9.82%	n.a.	8.93%
MSCI Europe Index	-1.34%	6.94%	8.31%		7.57%
Excess return	5.32%	8.20%	1.51%		1.36%

**Past performance is no guarantee of future results. The value of your investments may fluctuate.** Source: Robeco Performance Measurement. Top table is based on Robeco QI European Conservative B share class. Inception date is August 31st, 2007. MSCI Europe Index in EUR, net dividends reinvested. For better comparison, prior to July 2012 the index returns are hedged to Euro in line with the strategy. Middle table is based on Robeco QI European Active Equities F share class. Inception date is September 30<sup>th</sup>, 2017. Bottom table is based on Robeco QI European Value Equities. Inception date is September 30<sup>th</sup>, 2018. All figures are gross of fees. In reality, costs such as management fees and other costs are charged. These have a negative effect on the returns shown. These figures are preliminary based on the most recent month's performance results. These numbers may deviate from the final performance figures.

## Important information

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The Fund may not be offered or sold to the public in Brazil. Accordingly, the Fund has not been nor will be registered with the Brazilian Securities Commission (CVM), nor has it been submitted to the foregoing agency for approval. Documents relating to the Fund, as well as the information contained therein, may not be supplied to the public in Brazil, as the offering of the Fund is not a public offering of securities in Brazil, nor may they be used in connection with any offer for subscription or sale of securities to the public in Brazil.

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## Additional information for investors with residence or seat in Canada

No securities commission or similar authority in Canada has reviewed or in any way passed upon this document or the merits of the securities described herein, and any representation to the contrary is an offence. Robeco Institutional Asset Management B.V. relies on the international dealer and international adviser exemption in Quebec and has appointed McCarthy Tétrault LLP as its agent for service in Quebec.

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The funds have not been and will not be registered with the National Registry of Securities or maintained by the Mexican National Banking and Securities Commission and, as a result, may not be offered or sold publicly in Mexico. Robeco and any underwriter or purchaser may offer and sell the funds in Mexico on a private placement basis to Institutional and Accredited Investors, pursuant to Article 8 of the Mexican Securities Market Law.

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