

RobecoSAM Global SDG Engagement Equities YH EUR

RobecoSAM Global SDG Engagement Equities is an actively managed fund that invests in a concentrated selection of global stocks. Stock selection is based on fundamental analysis to invest in companies that are best able to have a clear and measurable improvement in their contribution to the United Nations Sustainable Development Goals (UN SDGs) over three to five years via active engagement. The fund has sustainable investment as its objective, within the meaning of Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on Sustainability-related disclosures in the financial sector. The fund aims to provide long term capital growth, and integrates sustainability risks in the investment process. In addition to proxy voting, the fund excludes companies based on controversial behavior and products (including controversial weapons, tobacco, palm oil, fossil fuel, military contracting, firearms, nuclear power, alcohol, gambling, adult entertainment, and cannabis). The portfolio is built on the basis of an eligible investment universe and an internally developed SDG framework for mapping and measuring SDG contributions (information can be obtained via the website www.robeco.com/si).



Michiel Plakman, CFA, Daniela da Costa, Peter van der Werf
Fund manager since 06-07-2021

Current MIFID legislation prevents us from reporting performance data for funds with less than a 12 month track record.

Index

MSCI All Country World Index (hedged into EUR)

General facts

Type of fund	Equities
Currency	EUR
Total size of fund	EUR 1,182,150,218
Size of share class	EUR 309,016,051
Outstanding shares	3,016,663
1st quotation date	27-07-2021
Close financial year	31-12
Ongoing charges	0.60%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Our portfolio had a slight outperformance in October, mainly driven by an overweight position in information technology and good stock picking in most sectors.

Market development

Global equity markets enjoyed a very strong October, driven by a powerful rebound in both the US and Europe, while Asian indices lagged. With inflation worries getting a lot of attention, investors cut fixed income exposure in favor of equities, once again reinforcing the 'TINA' trade ('there is no alternative'). Earnings results across the board were more resilient than many expected, although supply chain worries will clearly continue and ripple effects from the energy crunch will negatively impact global growth down the road. As a consequence, central banks will likely become more hawkish sooner rather than later, adding fuel to the broadening of market leadership into the value segment of the market; most noteworthy, the financials sector.

Sustainability profile

- Exclusions++
- Full ESG Integration
- Voting & Engagement
- Target Universe

For more information on exclusions see <https://www.robeco.com/exclusions/>

Expectation of fund manager

We maintain a positive outlook for global equity markets. Global growth remains robust. There is enough fiscal stimulus on the way and central banks will likely continue to be accommodative, since there is consensus among them that most inflationary pressures are transitory. Earnings growth is still very strong. Valuations are high across the board, but do not strike us as excessive. Technical analysis is also still very strong and market sentiment is not excessively bullish. We do worry a little about the outlook for next year, when economic growth and earnings growth will probably moderate after a post-pandemic recovery. For now, we think that the 'Goldilocks' environment that we are in will continue. In the current market environment, inflationary developments will likely be the key to our outlook. We should remember that there is an important distinction between inflation expectations and realized inflation. Our view is that inflation expectations are already very high, while most inflation drivers are likely to be transitory.

Top 10 largest positions

The largest relative positions in the fund are Salesforce.com, STMicroelectronics and Jerónimo Martins. Salesforce is a provider of software for salesforce automation and benefits from the trend towards digitalization. We are engaging with the company on multiple fronts, mostly related to SDGs 8, 9 and 16. STMicroelectronics is one of the largest providers of semiconductors for the automotive sector. We are engaging with the company to see them increase their overall business mix towards EVs and hybrids and on their labor practices. The third-largest relative position is CBRE, which is a real-estate brokerage business that will benefit from a reopening of the global economy after the worst of the Covid pandemic is behind us.

Top 10 largest positions

Holdings

Apple Inc
salesforce.com Inc
F5 Networks Inc
STMicroelectronics NV
Anthem Inc
Nasdaq Inc
eBay Inc
CBRE Group Inc
JPMorgan Chase & Co
Sony Group Corp
Total

	Sector	%
	Computers & Peripherals	5.14
	Software	4.83
	Communications Equipment	4.43
	Semiconductors & semicond. equipm.	4.21
	Health Care Providers & Services	3.85
	Capital Markets	3.75
	Internet & Direct Marketing Retail	3.67
	Real Estate Management & Development	3.66
	Commercial Banks	3.49
	Household Durables	3.38
	Total	40.41

Fund price

31-10-21	EUR	102.49
High Ytd (28-10-21)	EUR	102.52
Low Ytd (04-10-21)	EUR	96.82

Top 10/20/30 weights

TOP 10	40.41%
TOP 20	69.44%
TOP 30	92.78%

Fees

Management fee	0.47%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.12%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)

Issue structure	Open-end
UCITS V	Yes
Share class	YH EUR

This fund is a subfund of Robeco Capital Growth Funds, SICAV.

Registered in

Austria, Germany, Luxembourg, Singapore, Spain, Switzerland

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns and can engage in currency hedging transactions.

Risk management

Risk management is fully integrated into the investment process to ensure that positions always meet predefined guidelines.

Dividend policy

The fund does not distribute dividend. The fund retains any income that is earned and so its entire performance is reflected in its share price.

Fund codes

ISIN	LU2365449748
Bloomberg	ROSEEY LX
Valoren	112846962

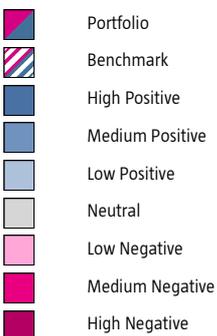
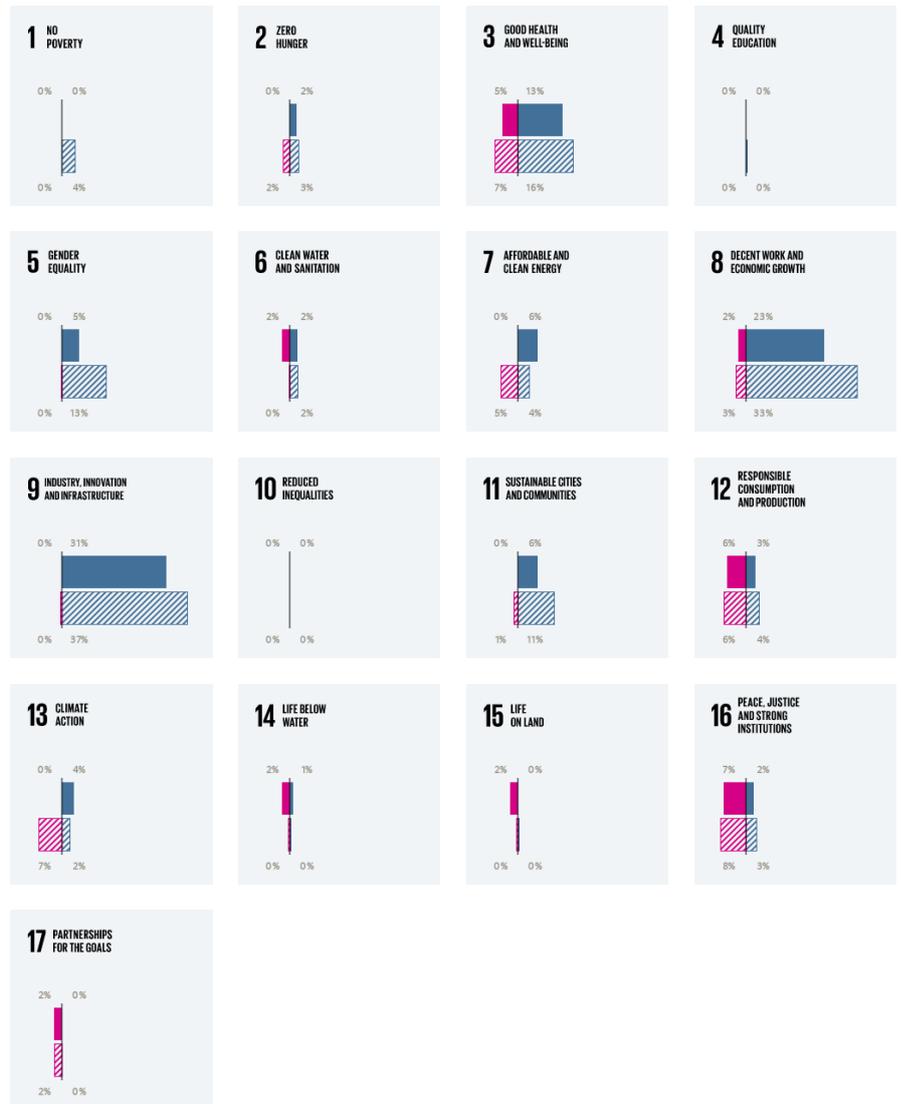
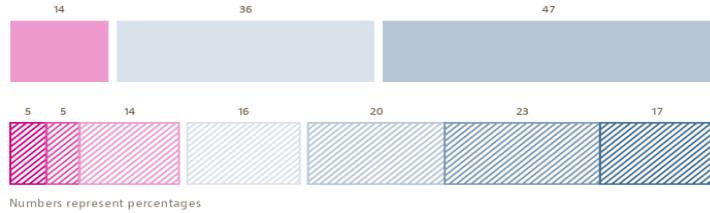
ESG integration policy

SDG Contribution

The SDG score shows to what extent the portfolio and the benchmark contribute to the 17 UN Sustainable Development Goals (SDGs). Scores are assigned to each underlying company using the Robeco SDG Framework, which utilizes a three-step approach to calculate a company's contribution to the relevant SDGs. The starting point is an assessment of the products offered by a company, followed by the way in which these products are produced, and finally whether the company is exposed to any controversies. The outcome is expressed in a final score which shows the extent to which a company impacts the SDGs on a scale from highly negative (dark red) to highly positive (dark blue).

The bar shows the aggregate percentage exposure of the portfolio and the benchmark (shaded) to the different SDG scores. This is then also split out per SDG. As a company can have an impact on several SDGs (or none), the values shown in the report do not sum to 100%. More information on Robeco's SDG Framework can be found at: <https://www.robeco.com/docm/docu-robeco-explanation-sdg-framework.pdf>

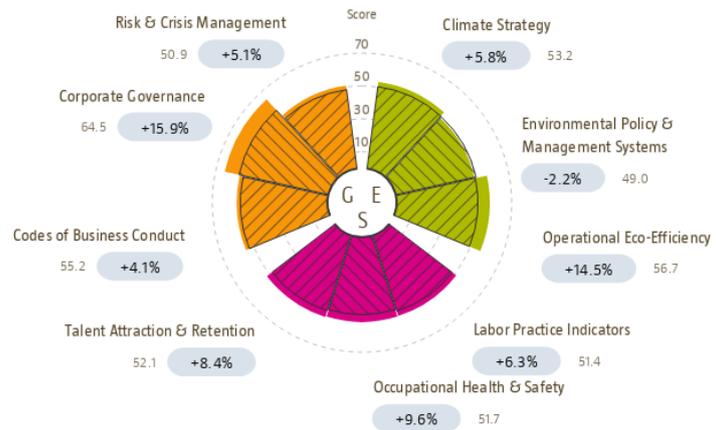
SDG Contribution



ESG Score

The portfolio ESG score (and E,S and G score) is calculated by multiplying the RobecoSAM Smart ESG Score of each holding by its respective portfolio or index weight. The same methodology is applied in calculating the key ESG Criterion scores. The scores of the portfolio are provided alongside the scores of the index, highlighting the portfolio's relative sustainability. The colors indicate the score of the portfolio, whilst the shading shows the index.

ESG Score



Asset Allocation

Asset allocation		
Equity		96.2%
Cash		3.8%

Sector allocation

We do not aim to have large deviations on a sector level. There are sectors where the SDG scores tend to be higher (such as for instance in healthcare). In those sectors it may be harder to find candidates for the fund. We are underweight in energy and utilities, because in these sectors it is hard to find candidates that fit the purpose of the fund.

Sector allocation		Deviation index
Capital Markets	9.1%	9.1%
Software	8.1%	8.1%
Pharmaceuticals	7.8%	7.8%
Computers & Peripherals	7.5%	7.5%
Internet & Direct Marketing Retail	6.1%	6.1%
Interactive Media & Services	6.0%	6.0%
Machinery	4.8%	4.8%
Communications Equipment	4.4%	4.4%
Semiconductors & semicond. equipm.	4.2%	4.2%
Health Care Providers & Services	3.8%	3.8%
Real Estate Management & Development	3.7%	3.7%
Commercial Banks	3.5%	3.5%
Other	31.1%	31.1%

Regional allocation

We have an overweight in Europe and in emerging markets, and are slightly underweight in the US. The regional deviations are largely the effect of bottom-up stock picking.

Regional allocation		Deviation index
America	70.2%	70.2%
Europe	24.0%	24.0%
Asia	5.7%	5.7%

Currency allocation

We use currency hedging only selectively to hedge currencies back to the benchmark. We aim to have our performance attribution come from bottom-up stock picking and less so from sector allocation.

Currency allocation		Deviation index
Euro	99.5%	99.5%
U.S. Dollar	0.4%	0.4%
Pound Sterling	-0.2%	-0.2%
Japanese Yen	0.2%	0.2%
Swedish Kroner	0.1%	0.1%
Norwegian Kroner	0.1%	0.1%

Investment policy

RobecoSAM Global SDG Engagement Equities is an actively managed fund that invests in stocks all over the world. The selection of these stocks is based on fundamental analysis. The fund's objective is to provide long term capital growth. The fund has sustainable investment as its objective, within the meaning of Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on Sustainability-related disclosures in the financial sector. The fund drives a clear and measurable improvement in a company's contribution to the United Nations Sustainable Development Goals (UN SDGs) over three to five years, by actively engaging and having an active dialogue with these companies. The fund also aims to provide long term capital growth and to integrate ESG (i.e. Environmental, Social and corporate Governance) while at the same time integrating sustainability risks in the investment process. The fund excludes companies on the basis of controversial behavior and controversial products (including controversial weapons, tobacco, palm oil, fossil fuel, military contracting, firearms, nuclear power, alcohol, gambling, adult entertainment, and cannabis) next to proxy voting. The portfolio is built on the basis of the eligible investment universe and an internally developed SDGs framework for mapping and measuring SDG contributions, about which more information can be obtained via the website www.robeco.com/si. The fund has a concentrated portfolio of stocks with the highest potential value growth.

Fund manager's CV

Michiel Plakman is Head of the Sustainable Global Equity Team, which is responsible for managing the Sustainable Global Stars and Global SDG Impact products at Robeco. Michiel is the lead manager for the Sustainable Global Stars and Global SDG Impact portfolios at Robeco. Prior to joining Robeco in 1999, Michiel Plakman worked for two years as a Portfolio Manager Japan at Achmea Global Investors. From 1995 to 1997, he held a position as Portfolio Manager European Equities at KPN Pension Fund. Michiel holds a Master's degree in Econometrics from the Free University of Amsterdam and he is a CFA charter holder. Daniela da Costa is Portfolio Manager in Emerging Markets. With more than 20 years of experience in capital markets, prior to joining Robeco in 2010, Daniela was Fund Manager for Latin American Equities at Nomura AM in London. She also worked in investment banking at HSBC Brasil and as portfolio manager at Petrobras's pension fund in Brazil. Daniela holds a Master's in Economics from the Brazilian Capital Markets Institute in Rio de Janeiro (IBMEC-RJ) and a MBA certificate in pension fund asset management from the Federal University of Rio de Janeiro (COPPE-UFRJ). Daniela is board member of AMEC in Brazil, the Brazilian stewardship agency. She has been involved in several sustainability related activities within Robeco. Currently, Daniela is member of Robeco's SDG committee, Biodiversity Task Force and is working in the sector de-carbonization study groups. Peter van der Werf is Engagement Specialist, covering the Consumer Staples, Healthcare and Chemicals sectors. His areas of expertise include impact investing, labor rights, supply chain management, access to medicine and nutrition and social & environmental issues in the Food & Agri sector. He is an Advisory Committee member of a number of PRI working groups such as Agricultural Supply Chain, Sustainable Palm Oil and Deforestation. Peter gained over four years of professional experience in business development in frontier markets before joining Robeco in 2011. He holds a Master's in Environmental Sciences from Wageningen University.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.01% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

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Morningstar

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