OUR 10-STEP GUIDE

Your journey to net zero

- A 10-step guide to implementing net zero in investment solutions
- Investment strategies that target climate and the low-carbon transition
- Reframing climate challenges as opportunities for alpha generation

Today's biggest investment opportunity

The Paris Agreement's goal of limiting global warming demands nothing short of a transformation in our approach to investing. Achieving net zero by 2050 is not merely an aspiration – it is an imperative that will reshape industries, economies and investment strategies alike.

Drawing on Robeco's decades of experience in sustainable investing and informed by our latest market research, we aim to empower investment professionals at every stage of their decarbonization journey. We also strongly believe in sharing our expertise and experience.

We therefore are pleased to offer our ten-step guide as a means of beginning that journey, or refining an existing one. Join us as we explore how to align your investment strategy with the greatest challenge – and opportunity – of our time. The journey to net zero starts here.

> *"Net zero became a focus of climate policy around 2020, with a 30-year deadline tied to meeting the Paris Agreement*

What is net zero?

Firstly, what does net zero actually mean? It does not mean that we have to abandon air travel or freeze in the winter. It means cutting greenhouse gas emissions where possible, and then neutralizing those that remain. Offsetting can be achieved through natural solutions such as reforestation, or through emerging technologies such as carbon capture, which can stop emissions entering the atmosphere in the first place.

Once the Paris goals were set, the Intergovernmental Panel for Climate Change (IPCC) calculated that in order to limit temperatures to well below 2 °C by the end of this century, the world needs to become carbon neutral by the middle of it. Yet, as of 2024, carbon emissions are still *rising*.

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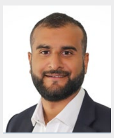
Marketing material for professional investors, not for onward distribution



Sab Ahmad
Consultant, Client and Sustainable Investing Solutions

The concept of net zero became a focus of climate policy around 2020, with a 30-year deadline tied to meeting the Paris Agreement's temperature goals. The landmark accord, signed in 2015 by nearly every country, aims to limit global temperature rise to well below 2 °C by 2100, and ideally to cap it at 1.5 °C. And time is running out. Global warming is already at about 1.2 °C, and we are experiencing extreme weather events, including more frequent and severe storms, floods, and droughts.

Achieving these temperature goals will require action on an unprecedented scale. Just as the 18th century Industrial Revolution ushered in an era of soaring carbon emissions and fossil fuel dependence, we now need a 'Decarbonization Revolution' to stop temperatures rising further.

The need to cut emissions

And this is where investment comes in. The UN-convened Net Zero Asset Owner Alliance, launched in September 2019 and representing some of the world's largest pension plans and insurers, is committed to transitioning their investment portfolios to net-zero greenhouse gas emissions by 2050, aiming to align their portfolios with a maximum temperature rise of 1.5°C.

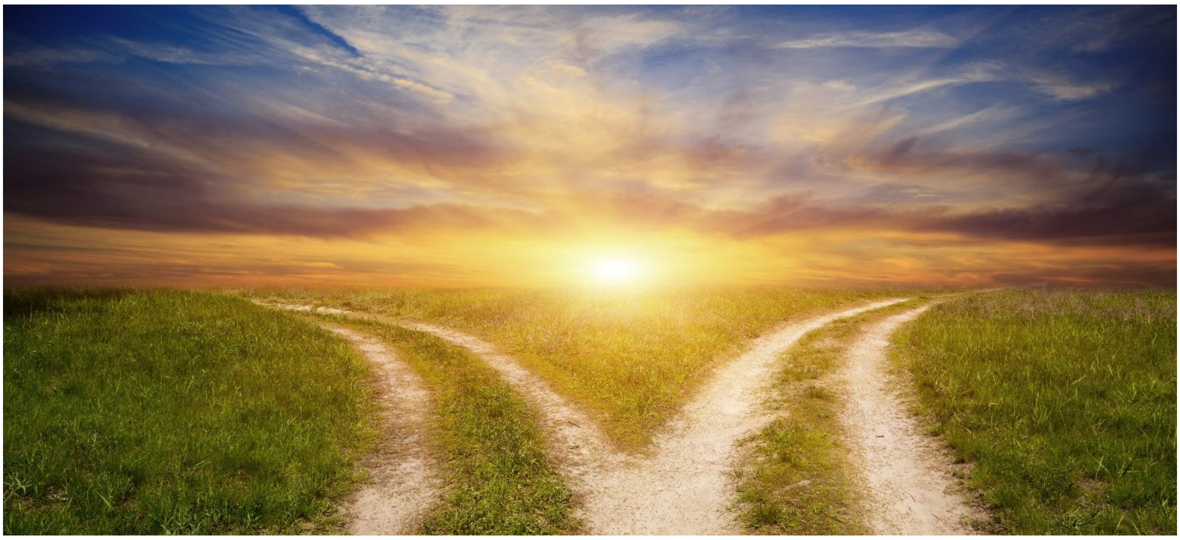
Inspired by the momentum, the rest of the financial community rose to the occasion in 2020 with the formation of the Net Zero Asset Managers Initiative. This grouping pledges to decarbonize assets under management by 2050 – a huge effort that will not only require researching and developing frameworks to implement decarbonization plans, but also investment solutions to facilitate the transition.

> *"A net-zero economy can only be achieved if we all work together and everyone plays their part alike.* – **Lucian Peppelenbos, Robeco's Climate and Biodiversity Strategist**

Kickstarting your journey

As the global financial sector embraces its pivotal role in combating climate change, many investment professionals are eager, but uncertain, about where to start this journey, or how to take it further once they're on it. Our objective is to provide you with clear actionable steps to confidently navigate this vital transition.

It is not intended to be an exhaustive list of things to do, but rather key things to consider. The steps follow a logical order, without being prescriptive.



Robeco's 10 steps to net-zero investing

1. Do the groundwork and assess where you are

It is worth noting that the process of assessing your current carbon position, and understanding the overall impact of that commitment on the business, could take three to six months. It's equally important for those with ultimate investment decision responsibility to understand the scope and implications of that commitment. It is essential to consider the following:

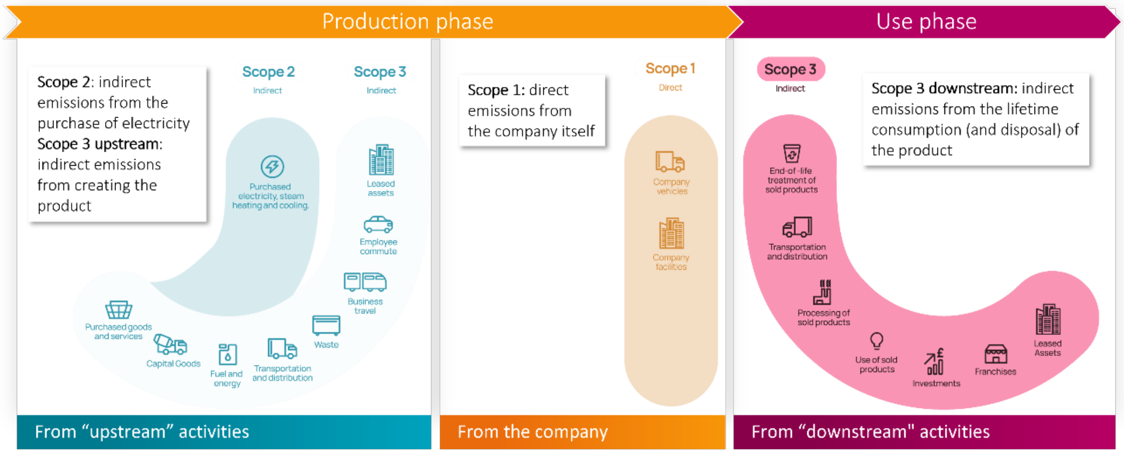
- Are all asset classes part of the commitment? Decarbonizing equity holdings is a different issue to corporate or government bond holdings.
- Familiarize yourself with the regulatory landscape and industry standards, particularly the Net Zero Investment Framework (NZIF), which is currently the most widely used worldwide for investors.
- Also consider the target-setting protocol of the Asset Owner Alliance and the Science Based Targets Initiative (SBTi), while being aware of the Greenhouse Gas Protocol for emissions accounting.
- Set long-term decarbonization targets. For example, Robeco calculated that achieving net zero by 2050 typically means decarbonizing a portfolio by 7% a year, starting from our 2019 base year.
- Set interim milestones so that progress can be properly tracked. In Robeco's case, we set interim targets for 2025 and 2030 so that we can track how we're doing.

2. Measure your carbon footprint and set the baseline

Measuring and base-lining carbon emissions is important to be able to establish a clear starting point, thereby enabling accurate target setting and the ability to track progress. This ensures that decarbonization efforts are effective, transparent, and aligned with net zero goals. Key things to consider are:

- **Implement robust emission-protocol compliant accounting practices**: Establishing accurate measurement systems for emissions will help with complying with the Taskforce on Climate-related Financial Disclosures (TCFD), and for setting science-based targets. In 2019, Robeco teamed up with 15 other financial institutions to launch the Global GHG Accounting and Reporting Standard for the Financial Industry. It is a free, standardized and robust way of measuring and reporting greenhouse gas emissions tied to investment portfolios.
- **Understand current emission levels**: Conducting a thorough analysis of the current carbon footprint of investment portfolios is essential for the purpose of setting a baseline. This is done by gathering emissions data on investee companies from third-party providers (e.g. Trucost for Scope 1, 2 and 3 emissions) and normalizing it relative to their investment value, (e.g. tons of CO2e per million dollars invested).
- **Set the reference point:** Once the data is available, investors may choose a carbon metric, a base year, and a reference point for measuring decarbonization. As a case study, the UN Principles for Responsible Investment published Robeco's baselining approach.
- **Identify major sources of emissions**: Highlighting investments with the highest carbon emissions and assessing their impact on the overall portfolio is an important next step, along with reviewing high-emitting sectors, such as energy, utilities and materials.

Figure 1 | The different types of emissions across the product/service lifecycle



Source: Robeco

Challenges in this process may include data quality issues and determining portfolio coverage. Consider using sector averages or engaging with investee companies to improve disclosure where data gaps exist.

3. Set clear targets and communicate them

Once you have an understanding of the scope and implications for your firm’s commitment to net zero, you need to consider how this applies to investments. Target methodologies are frameworks that provide guidance on how to measure emissions, set science-based targets, and create plans for reducing greenhouse gas emissions across portfolios and operations.

> “ *Ensuring full transparency signals to the market that an investor is serious about addressing climate change risks and opportunities*

Investors may choose the most appropriate target methodology for the business and the initiatives they signed up for, for example:

- Through its Corporate Net-Zero Standard, the Science-Based Targets initiative (SBTi) provides companies and financial institutions with the guidance and recommendations needed.
- UNEP’s Net Zero Asset Owner Alliance has published a Target Setting Protocol (TSP) for members of the group.
- The Net Zero Investment Framework produced by the Paris Aligned Investment Initiative (PAII) is a more comprehensive guide for asset managers to set targets and develop strategies and transition plans.

Ensuring full transparency signals to the market that an investor is serious about addressing climate change risks and opportunities. This transparency enhances investor confidence by aligning their investments with climate goals and mitigating long-term financial risks.

To communicate accurately about your commitment, investors should refer to detailed guidance provided by frameworks specifically designed for the financial sector, such as the NZIF and the TSP. These resources offer comprehensive guidelines on how investors can effectively communicate their climate strategies and targets.

Additionally, investors should be aware of the Corporate Sustainability Reporting Directive, which sets new EU standards for sustainability reporting. This directive will significantly impact how companies disclose climate-related information, thereby influencing how investors can communicate about their portfolio companies' climate performance.

By utilizing these tailored frameworks and staying informed about relevant regulations, investors can ensure their climate-related communications are accurate, comprehensive, and aligned with industry best practices, thus maintaining credibility and trust in the market.

4. Build a comprehensive roadmap

By this stage, much work has already been done! Targets will have been communicated, a baseline set and data providers selected, and you will know how to track progress.

The next step in the journey is to outline how you will actually execute emissions reductions targets. This is the implementation strategy that will make up the net zero roadmap. This is where talking the talk turns into walking the walk, and is key to success in the whole process. Robeco's own roadmap is available here.

5. Engage stakeholders and obtain buy-in

Net zero is more than just a pledge – just like transition itself, it is a journey. It requires coordination to ensure that team members understand its importance and how they can contribute toward the goal. Securing buy-in from all key stakeholders is crucial for allocating resources effectively and ensuring sustained long-term support for the net zero commitment.

- Secure senior commitment: If they were not the initiator of the net zero commitment, ensure that the senior management team is part of the journey and is committed to the strategy. It should really come from the top down, rather than the bottom up.
- Educate and involve internal stakeholders: Ensure they understand and engage with the company's net zero goals, fostering a culture of environmental responsibility. This collective effort enhances compliance and innovation to drive meaningful progress toward sustainability targets. Through the accredited Robeco Essentials, we developed short training courses to keep financial professionals updated with the latest trends and developments in sustainable investing which can be easily shared across your organization.

- **Engage with external stakeholders:** Keep them informed with regular updates, reports and educational resources on net zero, and develop sustainable investment products. Robeco has developed climate investment solutions, and with this paper, we show our practical approach to climate investing, while giving further insights on the transition to net zero.
- **Align incentives** to help ensure all stakeholders are motivated to contribute to the commitment, consider aligning compensation structures and incentives with net zero goals.

6. Track progress and report on it

Tracking the decarbonization progress and reporting on it ensures transparency and accountability. It is essential for measuring real-world impact and avoiding the perception of greenwashing. Thought should be given to the frequency of reporting that is required – doing it annually is usually the minimum required. This involves not only disclosing the emissions reductions achieved but also explaining the strategies and actions taken to move the investment portfolio toward net zero.

It is important to use transparent and standardized methodologies for measuring and reporting greenhouse gas emissions. This includes accounting for Scope 1, 2 and 3 emissions, as recommended by the SBTi. The TCFD's goal is to help companies report on how they deal with climate change from several perspectives:

- **Governance**: How the board oversees climate issues.
- **Strategy**: How global warming affect the business.
- **Risk management**: How the company manages climate risk.
- **Metrics and targets**: Used to assess and manage those risks, including disclosing Scope 1, 2 and 3 emissions where needed.

The TCFD outlines disclosures recommendations in broad terms here.

Regulation is also increasingly playing a role. In the EU, the SFDR requires companies to disclose their Principal Adverse Impact (PAI) indicators including emission statements from January 2023. At its core, the SFDR is a transparency measure that lets investors look inside a product so they can understand what features make it sustainable. Robeco's 2023 PAI Statement is available here.

In the US, the Securities and Exchange Commission has proposed rules to enhance and standardize climate-related disclosures for investors, aligning with the TCFD recommendations. In Asia, markets have started benchmarking corporate climate disclosure against TCFD recommendations from the Asian Development Bank.

1	Disclosure should represent relevant information
2	Disclosure should be specific and complete
3	Disclosure should be clear, balanced, and understandable
4	Disclosure should be consistent over time
5	Disclosure should be comparable among companies within a sector industry or portfolio
6	Disclosure should be reliable, verifiable, and objective
7	Disclosure should be provided on a timely basis

It's important to note that reporting is based on disclosures, and it is up to each company to execute this as diligently and accurately as possible. Robeco's latest Integrated Annual Report (IAR) gives detailed insights into the financial and also the non-financial progress being made toward our strategic ambitions.

The IAR explains how we generate return on investment for our clients and contribute to economic stability, while simultaneously aiming to address societal challenges of our time.

7. Make a wider commitment to sustainability

Sustainability is not just an issue of using a few exclusions and calling yourself sustainable. The SFDR and its related regulations have gone a long way to stopping this kind of greenwashing. But again, actions speak louder than words. We believe that the three key components of true sustainable investing are:

- ESG integration: This means incorporating environmental, social and governance factors in investment decisions to better assess long-term financial performance. Robeco has integrated ESG into the investment process since 2010, and now does so across its entire range of fundamental equity, fixed income, quantitative and bespoke sustainability strategies. This makes us one of the few asset managers in the world to adopt such an all-encompassing approach.
- Active ownership: This entails engaging with companies to improve their sustainability practices and voting at shareholder meetings to influence corporate behavior. Robeco first established an Active Ownership team in 2005, and it now includes more than 30 engagement and voting specialists under the umbrella of the SI Center of Expertise. We currently engage with more than 200 companies and vote at more than 5,000 company AGMs a year.
- Exclusion policies: Robeco excludes companies involved in severe misconduct, such as pollution, unsafe working conditions, or bribery from investment portfolios. Exclusion policies also apply to firms that are willfully not transitioning to lower-carbon models.

8. Choose suitable benchmarks

Investors are used to the standard benchmarks used for gauging an investment fund's performance against something like the MSCI World Index or the Bloomberg Global Aggregate Bond Index. There are now more bespoke benchmarks that can assist aligning your investment strategy with your climate goals. It is important to know that they have different risk-return profiles, as some benchmarks may exclude specific sectors.
Different categories to consider are:

- Paris-aligned benchmarks (PAB) are designed to meet the Paris Agreement's goal of limiting global warming to 1.5°C. They exclude fossil fuel companies and require significant carbon footprint reduction over time, making them ideal for investors seeking a strict commitment to the Paris goals.
- Climate transition benchmarks (CTBs) support the transition to a low-carbon economy by including companies that are in the process of reducing their carbon footprint. They allow for a broader range of companies than PABs, making them suitable for investors supporting a more gradual decarbonization.
- Climate-focused benchmarks evaluate companies based on their overall climate impact, including emissions reduction, renewable energy usage, and sustainability practices. These benchmarks include companies leading in climate action across various sectors, appealing to investors who want to support comprehensive climate strategies.
- Customized benchmarks offer the highest level of customization and flexibility to align with some investors' unique net zero strategies and criteria. They are tailored to meet specific investor goals and constraints. Robeco's Index Solutions team, with their extensive experience in benchmark construction, provides tailored solutions that align with investors' specific goals and constraints. The team recently launched the Climate Index family, with more information available here.
- Thematic benchmarks target sustainability themes like renewable energy or sustainable water. They are highly focused, making them ideal for investors with specific sustainability interests and a willingness to take on sector-specific risks.

It is important to note that PABs and CTBs are defined under EU Benchmarks Regulation and both require a 7% year-on-year decarbonization trajectory. PABs require a 50% reduction in carbon emissions compared to the investable universe, while CTBs require a 30% reduction.

When selecting a benchmark, consider how it handles sector allocation, particularly for high carbon sectors, and ensure the methodology is transparent. While these benchmarks are designed to support climate goals, it's also worth comparing their historical performance against traditional benchmarks to understand potential trade-offs.

9. Share knowledge and collaborate

The net zero and transition journey is not one that you have to make alone. A large number of alliances, collaborations and professional groups to promote sustainable investing in all its forms. Collaboration and knowledge sharing can enable the exchange of best practices, innovative solutions and the critical insights needed to navigate the complexity of net zero implementation.

- Share best practices: Collaborate on research and innovation, and share the lessons learned. Different client types can learn from each other, such as wholesale banks, institutional investors, insurers, and pension plans.
- Join industry-wide initiatives: Some examples of the wide varoiety of industry bodies and stewardship groups that can assist with net zero are available here.
- Adopt different data sources: Many firms will not have the internal capacity or expertise to acquire the necessary data to make net zero a success. There are however many specialist data firms that can assist, such as Sustainalytics or Bloomberg.

Third-party asset managers will often have specialized knowledge and resources that can aid in implementing net zero strategies. They can also advise on the above-mentioned benchmarks or other ESG criteria essential for assessing the sustainability of your investments and matching it to your goals. That’s why it is important to communicate your goals, such as by sending a communication outlining the net zero targets to all relevant stakeholders, and requesting climate data points.

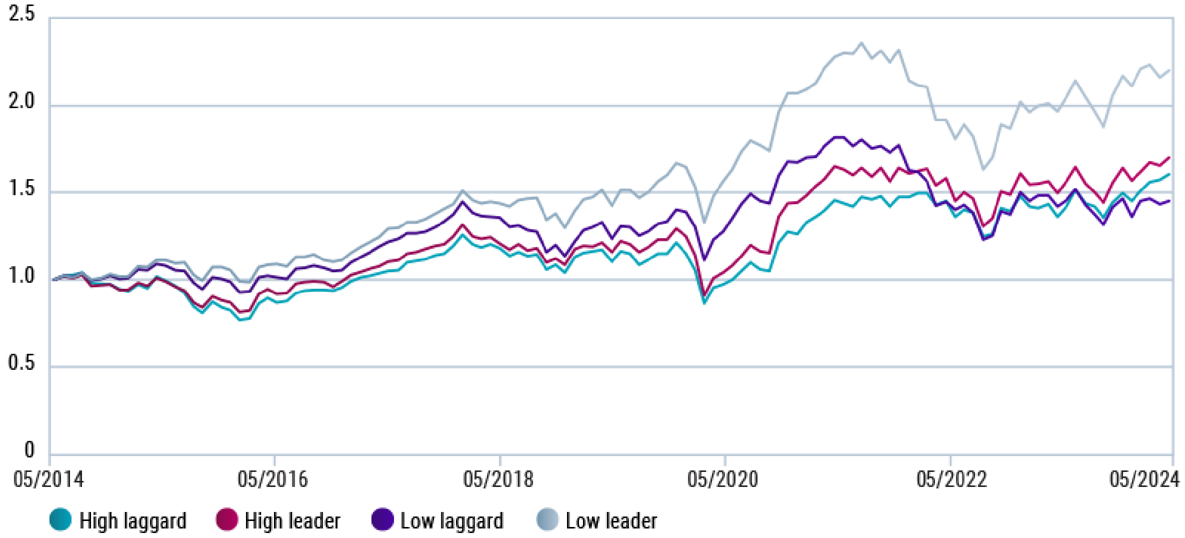
10. Evolution and recalibration

Going back to where we came in: sustainable, climate and transition investing remains a search for alpha. Nothing will encourage you more to join us on this journey than by knowing that it does work… not necessarily all the time, but in the long term, the argument is clear.

We firmly believe that more sustainable companies perform better in the long run, and certainly those companies at the forefront of the transition will reap their rewards at the expense of those that are laggards. It's ultimately about returns, and as some pushback continues against ESG investing in the belief that it detracts from returns, it is important to let the numbers light the way.

We recently published a very relevant white paper on this topics, titled: Transition investing: Exploring alpha potential. Our analysis suggests that transition leaders have outperformed laggards, both within high- and low impact sectors and across regions, as illustrated in the chart below. We assume such leaders are likely to be valuable sources of alpha going forward too, as they also tend to exhibit favorable quality characteristics often rewarded in the market.

Figure 2 | Historical returns of transition leaders and laggards, by low- and high-impact sectors (equal weighted)



Source: Robeco

To try to combat the myth that sustainable investing costs returns, Robeco has kept publishing more research and articles on the topic. We find that the question of choosing between sustainable investing and generating returns can be misleading.

Instead the focus should be on optimizing risk-adjusted returns and on integrating the client's sustainability preferences within a risk budget.

How Robeco can help

At Robeco, we recognize the critical importance of achieving net zero for the global economy, while acknowledging the challenges involved. That's why our Sustainable Investing Center of Expertise includes climate experts and engagement specialists who work alongside our investment teams. In October 2021, we released our own Net Zero Roadmap, outlining our three-pillar approach: decarbonize our activities, accelerate the transition, and promote climate-aligned investing.

As our slogan of 'The Investment Engineers' suggests, we pride ourselves on our long-standing commitment to sustainable investing, a journey we began in the 1990s. With a strong foundation in place, we have been able to develop a wide range of sustainable investing solutions to meet diverse client needs.

In equities, we have a strategy, *Robeco Global Climate Transition Equities*, which specifically invests in companies making and enabling the transition to net-zero emissions. On the fixed income side, our climate-focused offerings include *Climate Global Bonds, Climate Global Credits and Climate Global High Yield Bonds*. By providing a diverse range of climate funds in both equities and fixed income, Robeco is demonstrating its commitment to seizing the opportunities presented by the push to net zero while meeting the varied needs of our clients.

Working in tandem with investment teams, Robeco is also committed to active ownership, as shown through our extensive voting and engagement activities. Robeco is a team leader with the Climate Action 100+ collaborative investor group, engaging with the top emitters in portfolios.

We also have a strong commitment through our SI Open Access Initiative to use our expertise to help others who have yet to set foot on this path. Hence this ten-step guide to starting the process if you haven't done so already.

It's still about finding returns

Climate transition offers significant alpha opportunities by investing in companies that are leading the shift toward a low-carbon economy. Forward-looking climate metrics are crucial in identifying these climate leaders, as they provide insights into a company's readiness for the transition and its potential to outperform.

By focusing on companies that are actively reducing their environmental footprint and improving resource efficiency, investors can capture the upside potential of the climate transition. Additionally, investing in climate solution providers further enhances the potential for strong returns while contributing to decarbonization efforts.

It means that transition investing is different to sustainable investing. If sustainability is the ultimate destination in the investment process, then transition is the journey. Transition investing primarily focuses on companies that can facilitate the restructuring toward a low-carbon economy, such as by improving energy efficiency, optimizing supply chains or developing technology such as carbon capture or green hydrogen.

Keeping up with events

It pays to maintain a specialism here, as transition risks include regulatory changes, market shifts and technological advancements that could impact asset values and investment strategies. The importance lies in identifying, managing and mitigating sustainability risks to ensure long-term financial performance and compliance with changing regulation.

Potentially stranded assets such as oil fields that must remain untapped is a clear transition risk. Assessing the financial risks associated with climate change such as weather damage and insurability is also important. Lots of real estate, for example, has become devalued because it lies in coastal areas or on flood plains and can't be insured.

Using forward-looking climate tools

Another difference from sustainable investing is that transition investing requires us to anticipate and plan for future climate conditions and trends e.g. by using forward-looking climate tools. It contrasts with traditional sustainable investing, which investigates what has already happened (known as backward-looking) in data that tracks Scope 1, 2 or 3 emissions, for example. The real magic in transition investing is determining what will happen if a transitional pathway is followed.

Figure 3 | Backward and forward-looking tools help capturing the overall climate impact

Source: Robeco, for illustrative purposes only.

That eventually feeds through into asset prices, generating 'alpha', or superior returns to the general market. The ability to extract this alpha depends on being able to identify the winners and losers of the transition. This requires a holistic understanding of sustainable investing and emerging markets, combined with fundamental analysis and forward-looking tools and metrics.

Innovative investment solutions

As with standard climate investing, transition investing requires innovative solutions that use as much forward-looking climate tools as possible and also integrates information from the Robeco SDG Framework. Six of the 17 Sustainable Development Goals target climate change in one way or another, though climate investing tends to focus on the main two: SDG 13 (Climate action) and SDG 7 (Affordable and clean energy).

While we have been designing bespoke transition solutions for clients, Robeco has also taken an active approach to building and launching a suite of transition strategies. *Emerging Markets Climate Transition Equities, Global Climate Transition Equities* and *Transition Asian Equities* look for stocks, while *Transition Asian Bonds* and *Transition Emerging Credits* offer fixed income opportunities.

As their titles suggest, much of the focus is on Asia, and on emerging markets generally. That's because emerging markets are at the forefront of transition, since they account for 65% of the world's greenhouse gas emissions.

Then we have our 'Smart' range directly targeting the firms that are facilitating the transition to renewable energy, electrification and the technological processes that will drive it. These are *Smart Energy, Smart Mobility* and *Smart Materials* – all classified as Article 9 under the EU's Sustainable Finance Disclosure Regulation (SFDR), meaning they already offer some of the highest level of embedded sustainability.

> *"Transition is the journey in the investment process and sustainability is the destination* – **Thu Ha Chow, Robeco's Head of Fixed Income Asia**

Financing the transition

Finally, we have strategies that invest in green bonds, which help with the financing of the transition. They are typically fixed income securities often issued by civic authorities or NGOs that target environmental schemes. We use our internal Green Bond Framework which uses a five-step process to make sure the bonds are genuine in their pursuit of financing environmental projects such as water management or reforestation. For this we have three strategies offering different kinds of exposure – *Global Green Bonds, High Income Green Bonds* and *US Green Bonds*.

Creating bespoke client solutions

While these are 'off-the-shelf' strategies that offer instant exposure to climate transition investing, Robeco has long known that some clients have more complex needs. They may want further customization, a more intense focus on purely climate issues (such as by using bespoke climate benchmarks) or a combination of existing capabilities.

To address this, Robeco formed a team specialized in understanding the customization needs of the most sophisticated clients, working in close collaboration with investment teams to create custom products for our multi-asset investors. As the Client and Sustainable Investing Solutions team highlighted in a recent publication, an important component for innovating and designing solutions is to share knowledge.

Conclusion

As we have explored in this guide, the journey toward net zero is both a challenge and an opportunity. From measuring your carbon footprint to choosing suitable benchmarks, and from engaging stakeholders to collaborating with industry peers, each step is crucial in aligning your investment strategy with global climate goals.

The road to net zero is a marathon, not a sprint – a long and difficult race that requires persistence, innovation and collaboration. The rewards are equally meaningful. Start on this road now if you haven't done so already

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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.

Additional information for investors with residence or seat in Brunei

The Prospectus relates to a private collective investment scheme which is not subject to any form of domestic regulations by the Autoriti Monetari Brunei Darussalam ("Authority"). The Prospectus is intended for distribution only to specific classes of investors as specified in section 20 of the Securities Market Order, 2013, and must not, therefore, be delivered to, or relied on by, a retail client. The Authority is not responsible for reviewing or verifying any prospectus or other documents in connection with this collective investment scheme. The Authority has not approved the Prospectus or any other associated documents nor taken any steps to verify the information set out in the Prospectus and has no responsibility for it. The units to which the Prospectus relates may be illiquid or subject to restrictions on their resale. Prospective purchasers of the units offered should conduct their own due diligence on the units.

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.

Additional information for investors with residence or seat in the Republic of Chile

Neither Robeco nor the Funds have been registered with the *Comisión para el Mercado Financiero* pursuant to Law no. 18.045, the *Ley de Mercado de Valores* and regulations thereunder. This document does not constitute an offer of or an invitation to subscribe for or purchase shares of the Funds in the Republic of Chile, other than to the specific person who individually requested this information on their own initiative. This may therefore be treated as a "private offering" within the meaning of Article 4 of the *Ley de Mercado de Valores* (an offer that is not addressed to the public at large or to a certain sector or specific group of the public).

Additional information for investors with residence or seat in Colombia

This document does not constitute a public offer in the Republic of Colombia. The offer of the fund is addressed to less than one hundred specifically identified investors. The fund may not be promoted or marketed in Colombia or to Colombian residents, unless such promotion and marketing is made in compliance with Decree 2555 of 2010 and other applicable rules and regulations related to the promotion of foreign funds in Colombia. The distribution of this Prospectus and the offering of Shares may be restricted in certain jurisdictions. The information contained in this Prospectus is for general guidance only, and it is the responsibility of any person or persons in possession of this Prospectus and wishing to make application for Shares to inform themselves of, and to observe, all applicable laws and regulations of any relevant jurisdiction. Prospective applicants for Shares should inform themselves of any applicable legal requirements, exchange control regulations and applicable taxes in the countries of their respective citizenship, residence or domicile

Additional information for investors with residence or seat in the Dubai International Financial Centre (DIFC), United Arab Emirates

This material is distributed by Robeco Institutional Asset Management B.V. (DIFC Branch) located at Office 209, Level 2, Gate Village Building 7, Dubai International Financial Centre, Dubai, PO Box 482060, UAE. Robeco Institutional Asset Management B.V. (DIFC Branch) is regulated by the Dubai Financial Services Authority ("DFSA") and only deals with Professional Clients or Market Counterparties and does not deal with Retail Clients as defined by the DFSA.

Additional information for investors with residence or seat in France

Robeco Institutional Asset Management B.V. is at liberty to provide services in France. Robeco France is a subsidiary of Robeco whose business is based on the promotion and distribution of the group's funds to professional investors in France.

Additional information for investors with residence or seat in Germany

This information is solely intended for professional investors or eligible counterparties in the meaning of the German Securities Trading Act.

Additional information for investors with residence or seat in Hong Kong

The contents of this document have not been reviewed by the Securities and Futures Commission ("SFC") in Hong Kong. If there is any doubt about any of the contents of this document, independent professional advice should be obtained. This document has been distributed by Robeco Hong Kong Limited ("Robeco"). Robeco is regulated by the SFC in Hong Kong.

Additional information for investors with residence or seat in Indonesia
The Prospectus does not constitute an offer to sell nor a solicitation to buy securities in Indonesia.

Additional information for investors with residence or seat in Italy
This document is considered for use solely by qualified investors and private professional clients (as defined in Article 26 (1) (b) and (d) of Consob Regulation No. 16190 dated 29 October 2007). If made available to Distributors and individuals authorized by Distributors to conduct promotion and marketing activity, it may only be used for the purpose for which it was conceived. The data and information contained in this document may not be used for communications with Supervisory Authorities. This document does not include any information to determine, in concrete terms, the investment inclination and, therefore, this document cannot and should not be the basis for making any investment decisions.

Additional information for investors with residence or seat in Japan
This document is considered for use solely by qualified investors and is distributed by Robeco Japan Company Limited, registered in Japan as a Financial Instruments Business Operator, [registered No. the Director of Kanto Local Financial Bureau (Financial Instruments Business Operator), No.2780, Member of Japan Investment Advisors Association].

Additional information for investors with residence or seat in South Korea
The Management Company is not making any representation with respect to the eligibility of any recipients of the Prospectus to acquire the Shares therein under the laws of South Korea, including but not limited to the Foreign Exchange Transaction Act and Regulations thereunder. The Shares have not been registered under the Financial Investment Services and Capital Markets Act of Korea, and none of the Shares may be offered, sold or delivered, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to applicable laws and regulations of South Korea.

Additional information for investors with residence or seat in Liechtenstein
This document is exclusively distributed to Liechtenstein-based, duly licensed financial intermediaries (such as banks, discretionary portfolio managers, insurance companies, fund of funds) which do not intend to invest on their own account into Fund(s) displayed in the document. This material is distributed by Robeco Switzerland Ltd, postal address: Josefstrasse 218, 8005 Zurich, Switzerland. LGT Bank Ltd., Herrengasse 12, FL-9490 Vaduz, Liechtenstein acts as the representative and paying agent in Liechtenstein. The prospectus, the Key Information Documents (PRIIP)the articles of association, the annual and semi-annual reports of the Fund(s) may be obtained from the representative or via the website.

Additional information for investors with residence or seat in Malaysia
Generally, no offer or sale of the Shares is permitted in Malaysia unless where a Recognition Exemption or the Prospectus Exemption applies: NO ACTION HAS BEEN, OR WILL BE, TAKEN TO COMPLY WITH MALAYSIAN LAWS FOR MAKING AVAILABLE, OFFERING FOR SUBSCRIPTION OR PURCHASE, OR ISSUING ANY INVITATION TO SUBSCRIBE FOR OR PURCHASE OR SALE OF THE SHARES IN MALAYSIA OR TO PERSONS IN MALAYSIA AS THE SHARES ARE NOT INTENDED BY THE ISSUER TO BE MADE AVAILABLE, OR MADE THE SUBJECT OF ANY OFFER OR INVITATION TO SUBSCRIBE OR PURCHASE, IN MALAYSIA. NEITHER THIS DOCUMENT NOR ANY DOCUMENT OR OTHER MATERIAL IN CONNECTION WITH THE SHARES SHOULD BE DISTRIBUTED, CAUSED TO BE DISTRIBUTED OR CIRCULATED IN MALAYSIA. NO PERSON SHOULD MAKE AVAILABLE OR MAKE ANY INVITATION OR OFFER OR INVITATION TO SELL OR PURCHASE THE SHARES IN MALAYSIA UNLESS SUCH PERSON TAKES THE NECESSARY ACTION TO COMPLY WITH MALAYSIAN LAWS.

Additional information for investors with residence or seat in Mexico
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.

Additional information for investors with residence or seat in Peru
The Superintendencia del Mercado de Valores (SMV) does not exercise any supervision over this Fund and therefore the management of it. The information the Fund provides to its investors and the other services it provides to them are the sole responsibility of the Administrator. This Prospectus is not for public distribution.

Additional information for investors with residence or seat in Singapore
This document has not been registered with the Monetary Authority of Singapore ("MAS"). Accordingly, this document may not be circulated or distributed directly or indirectly to persons in Singapore other than (i) to an institutional investor under Section 304 of the SFA, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. The contents of this document have not been reviewed by the MAS. Any decision to participate in the Fund should be made only after reviewing the sections regarding investment considerations, conflicts of interest, risk factors and the relevant Singapore selling restrictions (as described in the section entitled "Important information for Singapore Investors") contained in the prospectus. Investors should consult their professional adviser if you are in doubt about the stringent restrictions applicable to the use of this document, regulatory status of the Fund, applicable regulatory protection, associated risks and suitability of the Fund to your objectives. Investors should note that only the Sub-Funds listed in the appendix to the section entitled "Important information for Singapore Investors" of the prospectus ("Sub-Funds") are available to Singapore investors. The Sub-Funds are notified as restricted foreign schemes under the Securities and Futures Act, Chapter 289 of Singapore ("SFA") and invoke the exemptions from compliance with prospectus registration requirements pursuant to the exemptions under Section 304 and Section 305 of the SFA. The Sub-Funds are not authorized or recognized by the MAS and shares in the Sub-Funds are not allowed to be offered to the retail public in Singapore. The prospectus of the Fund is not a prospectus as defined in the SFA. Accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply. The Sub-Funds may only be promoted exclusively to persons who are sufficiently experienced and sophisticated to understand the risks involved in investing in such schemes, and who satisfy certain other criteria provided under Section 304, Section 305 or any other applicable provision of the SFA and the subsidiary legislation enacted thereunder. You should consider carefully whether the investment is suitable for you. Robeco Singapore Private Limited holds a capital markets services license for fund management issued by the MAS and is subject to certain clientele restrictions under such license.

Additional information for investors with residence or seat in Spain
Robeco Institutional Asset Management B.V., Sucursal en España with identification number W0032687F and having its registered office in Madrid at Calle Serrano 47-14º, is registered with the Spanish Commercial Registry in Madrid, in volume 19.957, page 190, section 8, sheet M-351927 and with the National Securities Market Commission (CNMV) in the Official Register of branches of European investment services companies, under number 24. The investment funds or SICAV mentioned in this document are regulated by the corresponding authorities of their country of origin and are registered in the Special Registry of the CNMV of Foreign Collective Investment Institutions marketed in Spain.

Additional information for investors with residence or seat in South Africa
Robeco Institutional Asset Management B.V. is registered and regulated by the Financial Sector Conduct Authority in South Africa.

Additional information for investors with residence or seat in Switzerland
The Fund(s) are domiciled in Luxembourg. This document is exclusively distributed in Switzerland to qualified investors as defined in the Swiss Collective Investment Schemes Act (CISA). This material is distributed by Robeco Switzerland Ltd, postal address: Josefstrasse 218, 8005 Zurich. ACOLIN Fund Services AG, postal address: Leutschenbachstrasse 50, 8050 Zürich, acts as the Swiss representative of the Fund(s). UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich, postal address: Europastrasse 2, P.O. Box, CH-8152 Opfikon, acts as the Swiss paying agent. The prospectus, the Key Information Documents (PRIIP), the articles of association, the annual and semi-annual reports of the Fund(s), as well as the list of the purchases and sales which the Fund(s) has undertaken during the financial year, may be obtained, on simple request and free of charge, at the office of the Swiss representative ACOLIN Fund Services AG. The prospectuses are also available via the website.

Additional information for investors with residence or seat in Taiwan
The contents of this document have not been reviewed by any regulatory authority in Hong Kong. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice. This document has been distributed by Robeco Hong Kong Limited ("Robeco"). Robeco is regulated by the Securities and Futures Commission in Hong Kong.

Additional information for investors with residence or seat in Thailand
The Prospectus has not been approved by the Securities and Exchange Commission which takes no responsibility for its contents. No offer to the public to purchase the Shares will be made in Thailand and the Prospectus is intended to be read by the addressee only and must not be passed to, issued to, or shown to the public generally.

Additional information for investors with residence or seat in the United Arab Emirates
Some Funds referred to in this marketing material have been registered with the UAE Securities and Commodities Authority ("the Authority"). Details of all Registered Funds can be found on the Authority's website. The Authority assumes no liability for the accuracy of the information set out in this material/document, nor for the failure of any persons engaged in the investment Fund in performing their duties and responsibilities.

Additional information for investors with residence or seat in the United Kingdom
Robeco Institutional Asset Management B.V (FRN: 977582) is authorized and regulated by the Financial Conduct Authority.

Additional information for investors with residence or seat in Uruguay
The sale of the Fund qualifies as a private placement pursuant to section 2 of Uruguayan law 18,627. The Fund must not be offered or sold to the public in Uruguay, except under circumstances which do not constitute a public offering or distribution under Uruguayan laws and regulations. The Fund is not and will not be registered with the Financial Services Superintendency of the Central Bank of Uruguay. The Fund corresponds to investment funds that are not investment funds regulated by Uruguayan law 16,774 dated 27 September 1996, as amended.