

Explanation of the universe construction and monitoring of allowed investments

(Process description with regard to the Thematic Equities products classified under Article 9 of SFDR and the Global Gender Equality product classified under Article 8 of SFDR)

1. Robeco Thematic Equities

1.1. Overview

The thematic equities strategies in scope invest in companies providing ingenuity and innovation to address the global challenges of climate change, resource scarcity, land & water pollution, rapid urbanization, deteriorating infrastructure, and escalating chronic disease & healthcare expenses. These thematic strategies cover Water, Circular Economy, Biodiversity, Energy, Materials, Mobility and Healthy Living. Each strategy invests in a portfolio of companies from a pre-defined theme-specific universe; eligible companies must, as a rule of thumb, derive 20% of individual company current revenues from activities related to the theme. Stock selection results in concentrated, conviction-led portfolios of companies that are active along the investment theme value chain and trading at an attractive price.

1.2. Universe construction

For each thematic strategy, the portfolio managers select investments from a theme-specific universe of companies. The respective eligible universes from which the themes draw are evolving over time, ensuring they capture the latest markets and sustainability trends. Given market dynamics, the relevance of specific investment areas can decline over time giving way to newly emerging and rapidly growing ones. Dedicated thematic analysts screen the investment universe on an ongoing basis to identify companies worldwide that offer products and services addressing these specific sustainability challenges.

Portfolio managers and analysts monitor the investment universe on an ongoing basis and perform a structural review on a semi-annual basis. With the support of our Sustainable Investing (SI) research team, the investment team analyzes the latest trends and developments within the theme and implements them in the universe. SDG scores and ESG factors are a fundamental part of this work. Companies that do not meet defined sustainability criteria are removed from the universe. Finding new innovative investment opportunities also leads to specific topics that require more research from a sustainability perspective. Innovative products and services may be deemed controversial due to a mix of both positive and potentially negative impacts. For such businesses, the investment team defines an own opinion and formulates requirements that need to be fulfilled in order to make the respective companies investable.

Each thematic universe comprises all those companies that have a significant thematic fit, and consequently, represent potential investment candidates. In general, a minimum of 20% of individual company current revenues should be derived from activities related to the theme; additional companies can be added in, but not limited to, the following cases: (a) a company is expected to have a significant impact on the industry in the future (e.g., dominant technology or market position, or strong growth in the respective field); (b) companies or conglomerates serving many end markets or with a diverse product range but with a key contribution in a specific theme; (c) certain companies where thematic eligibility is not linked to related revenues but other KPIs such as % closed loop of resources used in manufacturing, % certified and recycled materials, % of product certification such as MSC or FSC, or % of certified inputs in sourcing (in the thematic universe of the Circular Economy and Biodiversity

strategies). At the portfolio level, a minimum of 50% of the weighted company revenues must be derived from activities related to the strategy's theme with exceptions for where eligibility is not based on revenues.

The universe should be broad enough to ensure diversification and allow for active investment choices, but still limited to companies with a strong thematic rationale. Typically, the thematic universes include between 170-400 companies, depending on the theme. Each thematic universe is structured into investment clusters, each including a number of sub-clusters. Given the sustainable investment objective of the thematic strategies, most companies in the investment universe implicitly contribute to the specific SDGs as relevant to the theme and underlying targets as formulated in the UN Sustainable Development Goals (SDGs).

The investment universe for the thematic equity strategies is maintained in an internal database. In cases where a new company is detected by the investment team (portfolio manager/analysts) during the year, analysts are entitled to add such a company to the universe provided that all prerequisites are met.

1.3. Second-line monitoring

The thematic funds in scope are only allowed to invest in companies that are part of their investment universe. To ensure compliance with this requirement and to allow for second-line monitoring, the universe is coded in the Portfolio Management system by Robeco's Investment Restrictions team. Pre-trade compliance prevents the portfolio manager from investing in a company not being part of the investment universe.

In order to avoid any investments that significantly harm a strategy's sustainable investment objective, portfolio holdings also are monitored for their SDG Scores. The strategies are only allowed to invest in companies with a positive or "allowed neutral" SDG Score on the basis of the Robeco SDG Framework and definition of "sustainable investment". For more information on the SDG Framework and the proprietary SDG rating methodology, see <https://www.robeco.com/en/key-strengths/sustainable-investing/sustainability-reports-policies.html>. "Allowed neutral" SDG scores are meant to recognize that new technologies and developing techniques may exist that enable the sustainability transition but are not fully captured by the SDG framework yet, e.g. due to lack of adequate data. Therefore, up to 10% of holdings in the thematic funds may consist of holdings with a neutral (0) SDG score, provided they are substantiated and approved as a sustainable investment.

1.4. Calculation of the Strategic Theme Reference

Officially, the thematic strategies in scope are benchmarked against the MSCI World Index as they seek to outperform the market in the long-term. Robeco has developed the Strategic Theme Reference (STR), a representative replication of the universe of stocks in which each theme can invest, to serve as an internal benchmark for portfolio management as well as risk management purposes.

The STR is constructed using an adjusted market capitalization methodology with a rebalancing twice a year. Companies above a market capitalization of USD 20 billion are capped to the maximum weight of USD 20 billion, whereas all other companies are weighted according to their market capitalization. Companies with a market capitalization below USD 200 million are excluded from the eligible investment universe and thereby the STR. The minimum USD allocation is set at 55% (exception: Biodiversity) to avoid that the STR deviates too far from the MSCI World Index with regard to currencies. Strategic minimum or maximum cluster weights may be applied if requested by the investment team in order to keep a certain equilibrium on the final cluster weights. The STR is calculated by Robeco's Client Reporting team.

The aim of the STR is to measure and understand the performance of an investment theme. It indicates the performance of the theme in a neutral and passive way. It makes it possible to separate the performance of an actively managed investment strategy relative to a broad market index (e.g., MSCI World Index) into the

contribution of the theme and the active management. The STR also plays an important role in the Robeco risk control framework. Serving as a reference point, it makes it possible to set internal investment guidelines to be applied to the active portfolio management. The guidelines set maximum deviations with regard to countries, sectors/clusters and currencies and add some maximum allocation thresholds.

2. Robeco Global Gender Equality

2.1. Overview

The Robeco Global Gender Equality strategy invests in companies which are leaders in elevating women and diversity, reducing inequalities and providing an environment in which all employees can flourish. The strategy focuses on sustainable high-quality companies that exhibit a high degree of gender equality through diverse workforces at all levels including at the board level, pay equity practices, talent retention programs, commitment to the well-being of all employees including a systematic approach to employee satisfaction. We have a broad view on what gender “equality” entails, and therefore also consider other forms of “diversity” such as ethnic, nationality, disability, etc., alongside female advancement and pay equity practices in our assessment of companies.

2.2. Universe construction

The portfolio manager selects investments from a universe of companies that is built the following way:

The starting investment universe of all assessed companies consists of stocks that have received a Robeco Gender Equality Score (further described below). It encompasses companies of the MSCI World Index plus companies outside the index for which the Score is available. A company can be added to the universe independent of the Gender Equality Score if a detailed fundamental analysis of the portfolio manager/equity or SI analyst shows that its business model positively contributes to the development and advancement of gender equality.

In a first step, due to liquidity reasons, this starting investment universe is screened for stocks above USD 1 billion market capitalization and for stocks with a daily trading volume of at least USD 1 million.

Second, all companies that are part of Robeco’s exclusion list for impact investing funds are excluded from the universe.

Third, sustainability laggards are eliminated from the initial universe based on their Smart ESG Score. The Robeco Smart ESG Scores are proprietary ESG ratings based on the S&P Global Corporate Sustainability Assessment (CSA). Initial raw data then are engineered further internally with the insights of our quantitative analysis with the aim to correct for unwanted biases in a best possible way. The bottom 20% of ESG Scores are excluded from the eligible investment universe for the portfolio. Overrides are allowed in cases where a detailed fundamental analysis conducted by the SI Research team confirms that an investment can be justified.

Finally, in order to narrow down the eligible universe and focus on gender equality leaders in the eligible universe, companies are ranked according to their Robeco Gender Equality Score. The proprietary Gender Equality Score is built based on our research that gender equality leaders support corporate performance. The key areas of assessing gender equality are as follows: board diversity and nomination process, workforce diversity and talent retention, pay equity, employee well-being, and trend of employee satisfaction. The Gender Equality Score is constructed based on the five gender equality related questions from the S&P Global Corporate Sustainability Assessment, with different weights applied. The Gender Equality Score is adjusted for transparency biases coming from industry, regional and size biases. Companies with a Gender Equality Score below 50 are excluded from the eligible universe.

The investment universe for the Robeco Global Gender Equality strategy is maintained in an internal database. It is systematically updated once a year by IT/Data Management based on the most accurate data. In case a new company is detected by the investment team (portfolio manager/analysts) during the year, analysts are entitled to add such a company to the universe provided that all conditions mentioned above are met.

2.3. Second-line monitoring

The fund is only allowed to invest in companies that are part of the investment universe. To ensure compliance with this requirement and to allow for second-line monitoring, the universe is coded in the Portfolio Management system by Robeco's Investment Restrictions team. Pre-trade compliance prevents the portfolio manager from investing in a company not being part of the investment universe.

In order to avoid any investments that significantly harm the strategy's sustainable investment objective, portfolio holdings also are monitored for their SDG Scores. The strategy is only allowed to invest in companies with a positive or neutral SDG Score on the basis of the Robeco SDG Framework. For more information on the SDG Framework and the proprietary SDG rating methodology, see <https://www.robeco.com/en-int/sustainable-investing/sustainable-finance-action-plan>. Negative SDG Scores are only allowed in exceptional cases when approved by the internal SDG committee.