

i) RobecoSAM Smart Materials Equities

**Pre-contractual disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a, of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852**

**Product name:** RobecoSAM Smart Materials Equities

**Legal entity identifier:** 213800HUVXY434VECO29

## Sustainable investment objective

### Does this financial product have a sustainable investment objective?

<input checked="" type="radio"/> <input checked="" type="radio"/> <input checked="" type="checkbox"/> <b>Yes</b>	<input type="radio"/> <input type="radio"/> <input type="checkbox"/> <b>No</b>
<p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with an environmental objective: 0%</b></p> <ul style="list-style-type: none"> <li><input checked="" type="checkbox"/> in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input checked="" type="checkbox"/> in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> </ul> <p><input checked="" type="checkbox"/> It will make a minimum of <b>sustainable investments with a social objective: 0%</b></p>	<p><input type="checkbox"/> It <b>promotes Environmental/Social (E/S) characteristics</b> and while it does not have as its objective a sustainable investment, it will have a minimum proportion of ___% of sustainable investments</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy</li> <li><input type="checkbox"/> with a social objective</li> </ul> <p><input type="checkbox"/> It promotes E/S characteristics, but <b>will not make any sustainable investments</b></p>

**Sustainable investment** means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.



### What is the sustainable investment objective of this financial product?

The sustainable investments of the Sub-fund aim to help mitigate the resource scarcity challenge within industries while supporting economic growth. The sustainable investment objective is attained by mainly investing in companies that advance the following United Nations Sustainable Development Goals (SDGs): Decent work and economic growth (SDG 8), Industry, innovation and infrastructure (SDG 9), Sustainable cities and communities (SDG 11), and Responsible consumption and production (SDG 12) as well as Climate action (SDG 13).

A part of the investments made by the Sub-fund contribute to the environmental objective of Climate Mitigation under the Taxonomy regulation. The Sub-fund has a carbon-reduction objective and uses a Climate-transition benchmark to monitor the carbon profile of the Sub-fund.

**Sustainability indicators** measure how the sustainable objectives of this financial product are attained.

● **What sustainability indicators are used to measure the attainment of the sustainable investment objective of this financial product?**

The Sub-fund has the following sustainability indicators:

1. The Sub-fund's weighted carbon footprint compared to the Climate transition benchmark.
2. The number of companies with a positive or allowed neutral SDG score.
3. The % of investments in securities that are on Robeco's Exclusion list as result of the application of Robeco's Exclusion policy.
4. The % of holdings that are in violation of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises.
5. The number of holdings and agenda items voted.

● **How do sustainable investments not cause significant harm to any environmental or social sustainable investment objective?**

The sustainable investments do no significant harm to any environmental or social sustainable investment objective by considering a principal adverse impact and aligning with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. In addition, sustainable investments score positively on Robeco's SDG Framework, and therefore do not cause significant harm.

— **How have the indicators for adverse impacts on sustainability factors been taken into account?**

A detailed description of the incorporation of principal adverse impacts is available via Robeco's Principal Adverse Impact Statement published on the Robeco website. In this statement, Robeco sets out its approach to identifying and prioritizing principal adverse impact, and how principal adverse impacts are considered as part of Robeco's investment due diligence process and procedures relating to research and analysis, exclusions and restrictions and/or voting and engagement. For sustainable investments, the PAI indicators have been taken into account by ensuring that the investments do no significant harm to any environmental or social objective. For this purpose, many PAI indicators are either directly or indirectly included in Robeco's SDG Framework to determine whether a company has significant impacts on the SDGs related to the PAI indicators.

— **How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights?**

The sustainable investments are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights via both Robeco's Exclusion Policy and Robeco's SDG Framework



**Does this financial product consider principal adverse impacts on sustainability factors?**

Yes

The Sub-fund considers principal adverse impacts on sustainability factors as referred to in Annex I of the SFDR Delegated Act.

Pre-investment, Robeco's SDG Framework assesses companies' positive and negative contributions to the Sustainable Development Goals (SDGs). Robeco's SDG Framework directly and/or indirectly screens companies on many of the topics considered by the PAI indicators.

Post-investment, the following principal adverse impacts on sustainability factors are taken into account:

- Via the application of the voting policy, the following PAIs are considered:
  - All indicators related to GHG emissions (PAI 1-6, Table 1)
  - Indicators in related to social and employee matters (PAI 10-13, Table 1; PAI 5-8, Table 3)
- Via Robeco's entity engagement program, the following PAIs are considered:
  - All indicators related to Climate and other environment-related indicators (PAI 1-9, Table 1)

**Principal adverse impacts** are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

- Violations of the UN Global Compact Principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises (PAI 10, Table 1). On an ongoing basis, the investment universe is scanned for controversial behavior in relation to the aforementioned principles and guidelines.
- In addition, based on a yearly review of Robeco's performance on all mandatory and selected voluntary indicators, holdings of the Sub-fund that cause adverse impact might be selected for engagement.

More information is available via Robeco's Principal Adverse Impact Statement, published on Robeco's website. The Sub-fund will periodically report how it has considered the principal adverse impacts of its investments in the Company's annual report, which will be made available each year on or before 30 April at the Sub-fund page highlighted in final section of this document.

■ No



### What investment strategy does this financial product follow?

RobecoSAM Smart Materials Equities is an actively managed fund that invests globally in companies that provide innovative materials and process technologies. The selection of these stocks is based on fundamental analysis as described in the Investment policy strategy paragraph in Appendix I of this prospectus. The strategy integrates sustainability indicators on a continuous basis as part of the stock selection process. Amongst others, the Sub-fund applies norms-based and activity-based exclusions, Robeco's good governance policy and considers Principal Adverse Impacts in the investment process. If the Sub-Fund is granted with the French SRI label, the Sub-Fund will target a reduction factor of its ESG universe relative to its initial investment universe of at least 20% as a result of the applied sustainability elements.

#### ● **What are the binding elements of the investment strategy used to select the investments to attain the sustainable investment objective?**

The Sub-fund has the following binding elements:

1. The Sub-fund's weighted carbon footprint score is equal or better than that of the Climate Transition Benchmark.
2. The Sub-fund is solely invested in companies that hold a positive or allowed neutral SDG score based on the internally developed SDG Framework.
3. The Sub-fund's portfolio complies with Robeco's Exclusion Policy (<https://www.robeco.com/docm/docu-exclusion-policy.pdf>) excluding investments in companies that are exposed to controversial behavior and controversial products. This means that the Sub-fund has 0% exposure to excluded securities, taking into account a grace period. Information with regards to the impact of the exclusions on the Sub-fund's universe can be found at <https://www.robeco.com/docm/docu-exclusion-list.pdf>.
4. The Sub-fund avoids investment in companies that are in breach of the ILO standards, UNGPs, UNGC or OECD Guidelines for Multinational Enterprises. Companies that breach the international norms will be excluded from the investment universe.
5. All equity holdings have a granted right to vote and Robeco exerts that right by voting according to Robeco's Proxy Voting Policy, unless impediments occur (e.g. share blocking). Robeco's Proxy Voting Policy can be found at <https://www.robeco.com/docm/docu-robeco-stewardship-policy.pdf>.

#### ● **What is the policy to assess good governance practices of the investee companies?**

Robeco has a Good Governance policy to assess governance practices of companies. The policy describes how Robeco determines if and when a company does not follow good governance practices and is therefore excluded from the initial investment universe for Article 8 and 9 products. Robeco's Good Governance policy applies to the Sub-fund and tests on a set of governance criteria that reflect widely recognized industry-established norms and include topics as employee relations,

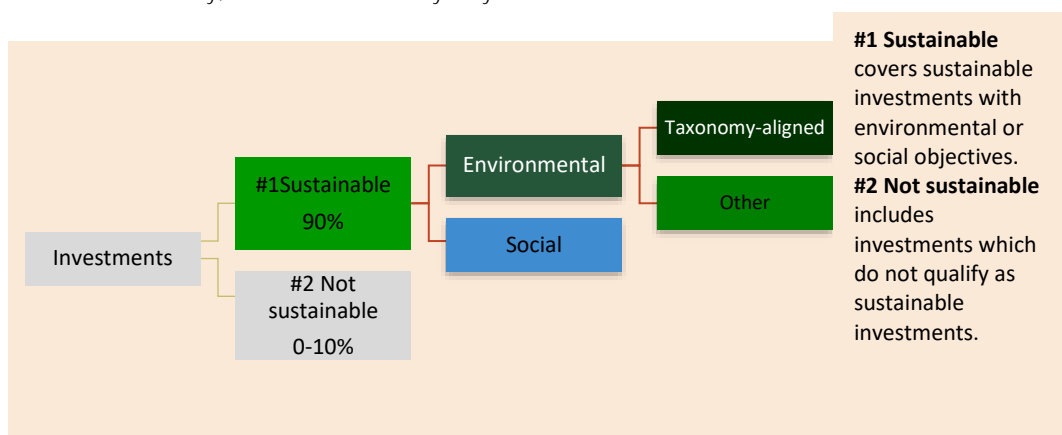
The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

management structure, tax compliance and remuneration. A link to the good governance test is made available in the final section of this document.



### What is the asset allocation and the minimum share of sustainable investments?

The Sub-Fund plans to make a minimum of 90% sustainable investments, measured by positive scores or allowed neutrals, via Robeco’s SDG Framework. The investments in the category non-sustainable, estimated between 0-10%, are mostly in cash and cash equivalents. The planned asset allocation is monitored continuously, and evaluated on a yearly basis.



**#1 Sustainable** covers sustainable investments with environmental or social objectives. **#2 Not sustainable** includes investments which do not qualify as sustainable investments.

### ● How does the use of derivatives attain the sustainable investment objective?

The Sub-fund does not make use of derivatives to attain the sustainable objective promoted by the financial product. The Sub-fund may make use of derivatives for hedging and liquidity management. This includes the usage of derivatives to manage currency and market exposures in a cost-effective manner. To that purpose exchange traded and over-the-counter derivatives linked to equity indices and currencies are permitted. In case the Sub-fund uses derivatives, the underlying shall comply with the investment policy. Where relevant, minimum environmental or social safeguards are taken into account.



### To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

The Sub-fund intends to contribute to the environmental objective of Climate Mitigation under the EU Taxonomy. The Sub-fund commits to a minimum share of 0% of Taxonomy-aligned activities. The Sub-fund intends to increase the minimum share of Taxonomy aligned activities for the Sub-fund once data availability in relation to the EU Taxonomy improves and stabilises. The Sub-fund will report on Taxonomy-aligned investment in the periodic disclosures. In the future, once data-availability in relation to the EU Taxonomy will improve, Robeco might consider setting a target based on turnover or CAPEX. Robeco currently relies on third-party data in relation to the EU Taxonomy, including data in relation to companies that do not disclose on the EU Taxonomy alignment of their activities. EU Taxonomy-alignment data is not yet subject to a review by third parties. The Sub-fund only makes investments in equity and therefore it does not have sovereign exposures. The expected level of alignment with and without sovereign bonds is the same.

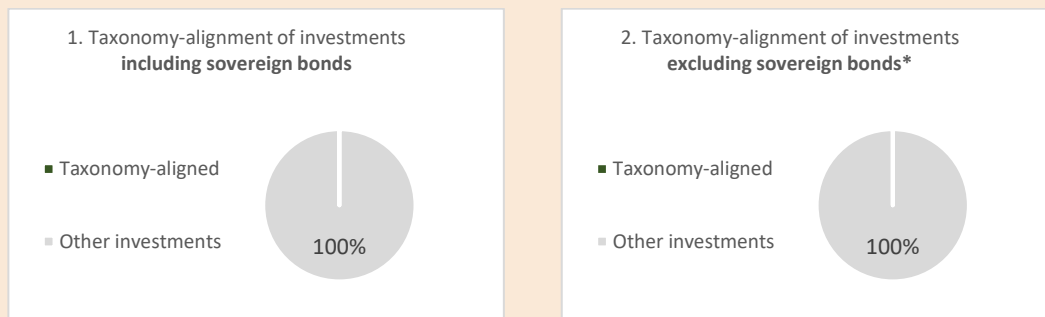
**Asset allocation** describes the share of investments in specific assets.

Taxonomy-aligned activities are expressed as a share of:


- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

**Enabling activities** directly enable other activities to make a substantial contribution to an environmental objective. **Transitional activities** are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds\*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.



\* For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures

 are environmentally sustainable investments that do not take into account the criteria for environmentally sustainable economic activities under the EU Taxonomy.

**● What is the minimum share of investments in transitional and enabling activities?**

0%.



**What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?**

The Sub-fund intends to make sustainable investments, measured as positive scores via Robeco’s SDG Framework. Among those could be investments with environmental objectives that do not qualify as Taxonomy-aligned. The environmental objectives of the Sub-fund are attained by investing in companies that score positively on SDG 12 (Responsible consumption and production), SDG 13 (Climate action), SDG 14 (Life below water), and SDG 15 (Life on land) in Robeco’s SDG Framework. While the sum of sustainable investments with an environmental objective and socially sustainable investments always adds up to the Sub-fund’s minimum proportion of 90% sustainable investments, we do not commit to a minimum share of sustainable investments with an environmental objective because the Sub-fund’s investment strategy does not have a specific environmental investment objective. Therefore, the minimum share of sustainable investments with an environmental objective is 0%.



**What is the minimum share of sustainable investments with a social objective?**

The Sub-fund intends to make sustainable investments, measured as positive scores via Robeco’s SDG Framework. Among those could be investments with social objectives. The social objectives of the Sub-fund are attained by investing in companies that score positively on SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 3 (Good health and well-being), SDG 4 (Quality education), SDG 5 (Gender equality), SDG 6 (Clean water and sanitation), SDG 7 (Affordable and clean energy), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities), SDG 16 (Peace, justice and strong institutions) and SDG 17 (Partnerships for the goals), in Robeco’s SDG Framework. While the sum of socially sustainable investments and sustainable investments with an environmental objective always adds up to the Sub-fund’s minimum proportion of 90% sustainable investments, we do not commit to a minimum share of socially sustainable investments because the Sub-fund’s investment strategy does not have a specific socially sustainable investment objective. Therefore, the minimum share of socially sustainable investments is 0%.



**What investments are included under “#2 Not sustainable”, what is their purpose and are there any minimum environmental or social safeguards?**

The type of instruments included under “#2 Not Sustainable” and their purpose are outlined in Annex I of this Prospectus under the header ‘Financial instruments and investment restrictions’. Amongst others, the use of cash, cash equivalents and derivatives is included under “#2 Not Sustainable”. The Sub-fund may make use of derivatives for hedging and liquidity management. This includes the usage

of derivatives to manage currency and market exposures in a cost-effective manner (in line with the investment policy). Where relevant, minimum environmental or social safeguards apply to the underlying securities.



### Is a specific index designated as a reference benchmark to meet the sustainable investment objective?

The Sub-fund uses a customized Climate Transition Benchmark to meet the carbon objective of the Sub-fund.

- **How does the reference benchmark take into account sustainability factors in a way that is continuously aligned with the sustainable investment objective?**

The reference benchmark is designed in accordance with the requirements of point (d) of Article 13 (1) of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 (the “Benchmarks Regulation”) and of the Commission Delegated Regulation (EU) 2020/1817.

The Sub-fund’s exclusion criteria are similar to those of the reference index, and the Sub-fund’s weighted carbon footprint score is equal to or better than the reference benchmark for the carbon objective of the Sub-fund.

- **How is the alignment of the investment strategy with the methodology of the index ensured on a continuous basis?**

The methodology of the reference index follows rebalancing rules which ensure alignment with the investment strategy of the Sub-fund. MSCI applies Robeco defined criteria on a regular basis to exclude companies which do not comply with the thematic objective of the Sub-fund.

- **How does the designated index differ from a relevant broad market index?**

The benchmark differs from a broad general market index in that the latter does not take into account in its methodology any criteria on the carbon reduction objective and carbon footprint of companies. In addition, the designated index is tailored towards the sector-specific focus of the Sub-fund.

- **Where can the methodology used for the calculation of the designated index be found?**

The index methodology can be found at

[https://www.msci.com/eqb/methodology/meth\\_docs/MSCI\\_EU\\_CTB\\_PAB\\_Overlay\\_Indices\\_Methodology.pdf](https://www.msci.com/eqb/methodology/meth_docs/MSCI_EU_CTB_PAB_Overlay_Indices_Methodology.pdf).



### Where can I find more product specific information online?

- **More product-specific information can be found on the website:**  
<https://www.robeco.com/en/funds/>
- Robeco’s PAI Statement can be accessed via the following link:  
<https://www.robeco.com/docm/docu-robeco-principal-adverse-impact-statement.pdf>
- Robeco’s Good Governance test can be accessed via the following link:  
<https://www.robeco.com/docm/docu-robeco-good-governance-policy.pdf>

Reference benchmarks are indexes to measure whether the financial product attains the sustainable investment objective.