

Robeco QI Emerging Conservative Equities I EUR

Robeco QI Emerging Conservative Equities is an actively managed fund that invests in low-volatility stocks in emerging countries across the world. The selection of these stocks is based on a quantitative model. The fund's objective is to achieve a better return than the index. The selected low-risk stocks are characterized by high dividend yields, attractive valuation, strong momentum and positive analyst revisions as well. This results in a diversified, low turnover portfolio of defensive stocks aiming to achieve stable equity returns and high income.



Pim van Vliet, Arlette van Ditshuizen, Maarten Polfliet, Jan Sytze Mosselaar, Arnoud Klep, Yaowei Xu
Fund manager since 14-02-2011

Performance

	Fund	Index
1 m	-0.90%	-3.18%
3 m	2.82%	-2.83%
Ytd	-0.20%	-3.64%
1 Year	14.75%	-3.48%
2 Years	7.82%	9.01%
3 Years	4.39%	6.52%
5 Years	4.50%	5.81%
10 Years	5.73%	5.06%
Since 02-2011	6.38%	4.83%

Annualized (for periods longer than one year)

Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see last page.

Calendar year performance

	Fund	Index
2021	19.92%	4.86%
2020	-11.89%	8.54%
2019	17.67%	20.61%
2018	-4.55%	-10.27%
2017	12.26%	20.59%
2019-2021	7.53%	11.14%
2017-2021	5.90%	8.23%

Annualized (years)

Index

MSCI Emerging Markets Index

General facts

Morningstar	★★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 2,342,503,146
Size of share class	EUR 892,312,237
Outstanding shares	4,506,640
1st quotation date	14-02-2011
Close financial year	31-12
Ongoing charges	0.85%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

Exclusions	
ESG Integration	
Voting & Engagement	
ESG Target	
ESG score target	Footprint target
Better than index	Better than index

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

Performance

Indexed value (until 28-02-2022) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -0.90%.

The conservative equities that the fund typically selects as part of its investment strategy outperformed the market last month. From a factor perspective, the low-risk and momentum factors contributed positively. The main positive contributions came from avoiding the weak performance of Tencent, Meituan en Alibaba, as well as from holding Mexican consumer stocks such as Arca Continental and Walmart de Mexico. The main detractor was the overweight in Russia (average overweight in February was 2%), mainly through holding Lukoil and Surgutneftegas. Moreover, stock selection within the materials sector was negative, through holding Severstal and NLMK (Russia), while not holding Vale (Brazil).

Expectation of fund manager

The Emerging Conservative Equities Fund invests in low volatility stocks with lower expected downside risk and good upside potential. The more stable stocks tend to be overlooked by investors, though they offer relatively high returns given their risk profile. We expect the fund to do particularly well during down markets and volatile market conditions. In a very bullish environment, the fund could lag the overall market, yet still deliver good absolute returns. In the long term, we expect stable equity returns and high income with considerably lower downside risk.

Top 10 largest positions

The top ten positions are primarily the result of the fact that these large companies have a low expected volatility combined with good upside potential.

Fund price

28-02-22	EUR	198.09
High Ytd (16-02-22)	EUR	205.02
Low Ytd (03-02-22)	EUR	197.28

Fees

Management fee	0.68%
Performance fee	None
Service fee	0.16%
Expected transaction costs	0.09%

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V Yes
 Share class I EUR
 This fund is a subfund of Robeco Capital Growth Funds, SICAV

Registered in

Austria, Denmark, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Netherlands, Peru, Singapore, Spain, Switzerland, United Kingdom

Currency policy

Currency risk will not be hedged. Exchange-rate fluctuations will therefore directly affect the fund's share price.

Risk management

Risk management is fully integrated in 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	LU0582530498
Bloomberg	REMCEIE LX
Sedol	B97QCY1
WKN	A1JJPN
Valoren	12423029

Top 10 largest positions

Holdings

Infosys Ltd ADR
 Samsung Electronics Co Ltd
 Bank of China Ltd
 Chunghwa Telecom Co Ltd
 Malayan Banking Bhd
 Asustek Computer Inc
 Agricultural Bank of China Ltd
 Telefonica Brasil SA ADR
 Bank of Communications Co Ltd
 Tech Mahindra Ltd
Total

Sector	%
Information Technology	2.99
Information Technology	2.77
Financials	2.11
Communication Services	2.02
Financials	1.80
Information Technology	1.74
Financials	1.64
Communication Services	1.63
Financials	1.61
Information Technology	1.55
Total	19.87

Top 10/20/30 weights

TOP 10	19.87%
TOP 20	33.63%
TOP 30	44.12%

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	7.61	6.49
Information ratio	-0.16	-0.08
Sharpe ratio	0.44	0.50
Alpha (%)	0.57	1.08
Beta	0.74	0.74
Standard deviation	13.20	11.58
Max. monthly gain (%)	7.82	7.82
Max. monthly loss (%)	-15.26	-15.26

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	15	29
Hit ratio (%)	41.7	48.3
Months Bull market	25	38
Months outperformance Bull	7	12
Hit ratio Bull (%)	28.0	31.6
Months Bear market	11	22
Months Outperformance Bear	8	17
Hit ratio Bear (%)	72.7	77.3

Above mentioned ratios are based on gross of fees returns.

Sustainability

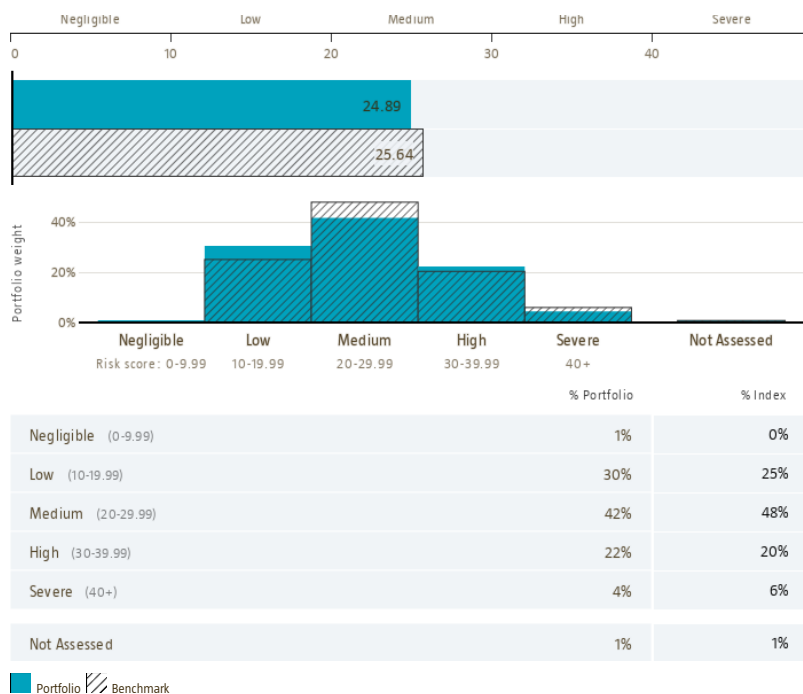
The fund systematically incorporates sustainability in the investment process via exclusions, ESG integration, ESG and environmental footprint targets, engagement and voting. The fund does not invest in stocks issued by companies that are in breach of international norms or where its activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the portfolio construction to ensure the ESG score of the portfolio is better than that of the index. In addition, the environmental footprints of the fund are made lower than that of the benchmark by restricting the GHG emissions, water use and waste generation. With these portfolio construction rules, stocks issued by companies with better ESG scores or environmental footprints are more likely to be included in the portfolio while stocks issued by companies with worse ESG scores or environmental footprints are more likely to be divested from the portfolio. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.

ESG Risk Score

The Portfolio Sustainability ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainability ESG Risk Rating by its respective portfolio weight. If an index has been selected, those scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index.

The Sustainability ESG Risk Rating distribution chart shows the portfolio allocations broken into Sustainability's five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. If an index has been selected, the same information is shown for the index.

ESG Risk Score



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Footprint Ownership

Footprint ownership expresses the total resource utilization the portfolio finances. Each assessed company's footprint is calculated by normalizing resources utilized by the company's enterprise value including cash (EVIC). Multiplying these values by the dollar amount invested in each assessed company yields the aggregate footprint ownership figures. The selected index's footprint is provided alongside. Sovereign and cash positions have no impact. The portfolio's score is shown in blue and the index in grey.

Environmental Footprint

GHG Emissions Scope 1 & 2

tCO₂e/g/mUSD

44.1% below



Source: Robeco data based on Trucost data. *

Waste generation

tonnes/mUSD

73.4% below



Source: Data based on RobecoSAM impact data.

Water Use

m³/mUSD

9.5% below



Source: Data based on RobecoSAM impact data.

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Asset Allocation

Asset allocation		
Equity		98.9%
Cash		1.1%

Sector allocation

The Emerging Conservative Equities Fund is not benchmark driven. It uses a quantitative stock selection model for bottom-up selection of stocks with low absolute risk and high expected return characteristics. The current weights in defensive sectors are high compared to regular indices. This is due to the fact that these sectors contain a relatively large number of stable and attractively priced stocks.

Sector allocation		Deviation index	
Financials	26.0%	5.0%	
Information Technology	20.4%	-1.4%	
Communication Services	12.4%	1.9%	
Consumer Staples	11.3%	5.4%	
Industrials	7.2%	1.9%	
Utilities	7.0%	4.6%	
Consumer Discretionary	5.1%	-7.4%	
Energy	3.5%	-1.7%	
Materials	3.0%	-6.3%	
Real Estate	2.6%	0.5%	
Health Care	0.9%	-3.0%	
Not Classified	0.5%	0.5%	

Country allocation

The Emerging Conservative Equities Fund is not benchmark driven. It uses a quantitative stock selection model for bottom-up selection of stocks with low absolute risk and high expected return characteristics. The current weights in certain countries are high compared to regular indices. This is due to the fact that these countries contain a relatively large number of stable stocks, which are attractively priced.

Country allocation		Deviation index	
Taiwan	<div><div></div></div> 25.8%	<div><div></div></div> 9.7%	
China	<div><div></div></div> 23.9%	<div><div></div></div> -7.9%	
Korea	<div><div></div></div> 8.9%	<div><div></div></div> -3.4%	
India	<div><div></div></div> 8.8%	<div><div></div></div> -3.6%	
Saudi Arabia	<div><div></div></div> 5.4%	<div><div></div></div> 1.5%	
Mexico	<div><div></div></div> 5.2%	<div><div></div></div> 3.1%	
Malaysia	<div><div></div></div> 4.9%	<div><div></div></div> 3.4%	
Brazil	<div><div></div></div> 4.8%	<div><div></div></div> -0.2%	
United Arab Emirates (U.A.E.)	<div><div></div></div> 2.4%	<div><div></div></div> 1.1%	
Russia	<div><div></div></div> 2.3%	<div><div></div></div> 0.7%	
Thailand	<div><div></div></div> 1.8%	<div><div></div></div> -0.1%	
Turkey	<div><div></div></div> 1.7%	<div><div></div></div> 1.4%	
Other	<div><div></div></div> 4.1%	<div><div></div></div> -5.8%	

Investment policy

Robeco QI Emerging Conservative Equities is an actively managed fund that invests in low-volatility stocks in emerging countries across the world. The selection of these stocks is based on a quantitative model. The fund's objective is to achieve a better return than the index. The fund aims for a better sustainability profile compared to the Benchmark by promoting ESG (i.e. Environmental, Social and corporate Governance) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation and integrating ESG and sustainability risks in the investment process. In addition, the fund applies an exclusion list on the basis of controversial behavior, products (including controversial weapons, tobacco, palm oil and fossil fuel) and countries, next to proxy voting and engagement. The selected low-risk stocks are characterized by high dividend yields, attractive valuation, strong momentum and positive analyst revisions as well. This results in a diversified, low turnover portfolio of defensive stocks aiming to achieve stable equity returns and high income. The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The fund can deviate from the weightings of the Benchmark. The fund aims to outperform the Benchmark over the long run, whilst still controlling relative risk through the applications of limits (on countries and sectors) to the extent of deviation from the Benchmark. This will consequently limit the deviation of the performance relative to the Benchmark. The Benchmark is a broad market weighted index that is not consistent with all the ESG characteristics promoted by the fund.

Fund manager's CV

Pim van Vliet is Portfolio Manager Conservative Equities and Co-Head of Robeco's Quantitative Equities department. He specializes in low-volatility investing, asset pricing, and quantitative finance. He is the author of numerous academic research papers including publications in the Journal of Banking and Finance, Management Science, the Journal of Portfolio Management. Pim is a guest lecturer at several universities, author of an investment book and speaker at international seminars. He became Portfolio Manager in 2010. Pim joined Robeco in 2005 as a Researcher with responsibility for asset allocation research. Pim holds a PhD and a Master's cum laude in Financial and Business Economics from Erasmus University Rotterdam. Arlette van Ditschuijzen is Portfolio Manager Quantitative Equities and Co-head of the Quant Equity Portfolio Management team. She has been portfolio manager since 2007. She focuses on managing the wide range of regional and global Conservative Equities strategies, Robeco's Low-volatility strategy. Arlette's areas of expertise are portfolio construction and risk management. She chairs Robeco's Equity Risk Management and Quant Portfolio Management Committees. Previously she was Risk Manager with Robeco for two years and held a position as Portfolio Manager and Head of Derivatives Structures with Robeco for six years. Arlette started her career as a researcher at Robeco in 1997. She holds a Master's in Econometrics from Erasmus University Rotterdam. Maarten Polfliet is Portfolio Manager Quantitative Equities. He focuses on managing the wide range of regional and global Conservative Equities strategies, Robeco's Low-volatility strategy. Maarten specializes in portfolio construction and investment style analyses. Until 2012, Maarten was a Quant Client Portfolio Manager at Robeco. From 2002, he was Equity Portfolio Manager at Bank Insinger de Beaufort, until he joined Robeco in 2005. He started his career as a Portfolio Manager for private and institutional clients at SNS Bank Nederland in 1999. He has a Master's in Financial Economics from Tilburg University and a Master's in Financial Analysis from the University of Amsterdam. Jan Sytze Mosselaar is Portfolio Manager Quantitative Equities. He focuses on managing the wide range of regional and global Conservative Equities strategies (Robeco's Low-volatility strategy) and the factor investing portfolios. He started his career in 2004 at Robeco and worked for ten years as a multi-asset portfolio manager, responsible for multi-asset funds, quant allocation funds and fiduciary pension mandates. Jan Sytze is the author of 'A Concise Financial History of Europe', published by Robeco. He holds a Master's in Business Economics with a specialization in Finance & Investments from the University of Groningen. He is a CFA® charterholder. Arnoud Klep is Portfolio Manager Quantitative Equities. He focuses on managing the wide range of regional and global Conservative Equities strategies, Robeco's Low-volatility strategy. Arnoud specializes in portfolio construction and sustainability integration within quantitative equities. Previously, Arnoud was Head of Structured Investments with Robeco, managing various quantitative investment strategies. He started his career in the Robeco Quantitative Research department in 2001. Arnoud holds a Master's in Econometrics from Tilburg University. Yaowei Xu is Portfolio Manager Quantitative Equities with a special focus on emerging markets and Chinese market strategies. Previously, she was part of the Robeco fundamental Emerging Markets team. Prior to joining Robeco in 2014, Yaowei was Senior Portfolio Manager at Pelargos Capital where she co-managed the long/short hedge fund focusing on Asia Pacific ex Japan equities. She started her investment career in 2004 at ABN AMRO Asset Management as Portfolio Risk Manager. Yaowei holds a Master's in Financial Management from Nyenrode Business 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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