ROBECO

Factsheet | Figures as of 28-02-2022

Robeco Asia-Pacific Equities I USD

Robeco Asia-Pacific Equities is an actively managed fund that invests in stocks in developed and emerging Asian-Pacific countries. The selection of these stocks is based on fundamental analysisThe fund's objective is to achieve a better return than the index. The fund focuses on stocks of companies incorporated in Asia, Australia or New Zealand or those companies that exercise major part of economic activity from these regions. Country allocation is a less important performance driver, implemented via country and currency overlays.

Arnout van Rijn
Fund manager since 08-10-2007

Performance

	Fund	Index
1 m	0.27%	-1.12%
3 m	2.26%	-3.62%
Ytd	-1.46%	-5.42%
1 Year	-3.05%	-9.92%
2 Years	13.36%	10.56%
3 Years	7.54%	7.11%
5 Years	5.91%	7.11%
Since 01-2013	6.57%	6.01%

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	7.45%	-1.46%
2020	9.11%	19.71%
2019	17.84%	19.36%
2018	-17.91%	-13.52%
2017	28.71%	31.67%
2019-2021	11.38%	12.08%
2017-2021	7.86%	9.90%

Annualized (years)

Index

MSCI AC Asia Pacific Index (Net Return, USD)

General facts

Morningstar	★★★
Type of fund	Equities
Currency	USD
Total size of fund	USD 451,970,980
Size of share class	USD 5,947,370
Outstanding shares	33,297
1st quotation date	21-01-2013
Close financial year	31-12
Ongoing charges	0.97%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	6.00%
Management company	Robeco Institutional Asset Management B.V.

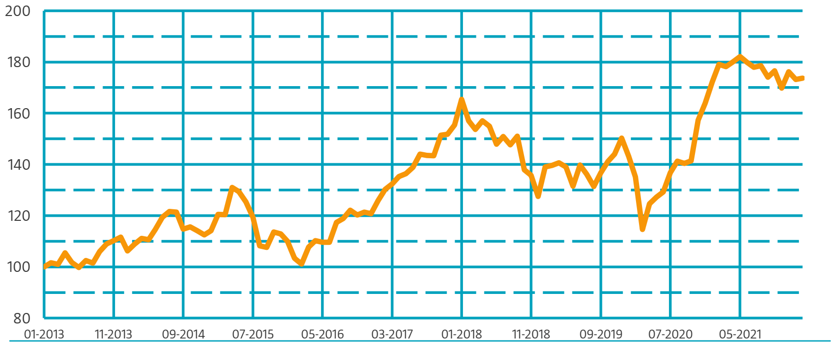
Sustainability profile

Exclusions
ESG Integration
Voting & Engagement

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 0.27%.
The portfolio outperformed its benchmark by 1.0% based on NAV. The fund has no direct exposure to the conflict in Ukraine and very little indirect impact on the portfolio. Stock selection from Japan, South Korea and China contributed positively. The top contributor in February was the defensive exposure to Australian gold miner Newcrest Mining. The stock rallied 15% on a 6% higher gold price. A positive contribution also came from South Korea-listed sports brand Fila Holdings. The stock trades at 8x P/E and rallied 21% on a strategic plan to move the payout ratio towards 50% in 5 years after pressure from investors like us. The strong underweight in Chinese internet stocks also contributed positively after another 'request' to lower tariffs to protect small businesses took delivery leader Meituan down 17%. We still see no value here and the measure will further slow its path to profitability. Consumer sentiment remains negative in China and our portfolio suffered through its position in white goods maker Midea (-9%). China and Japan both have 9% producer price inflation, but only 1% consumer price inflation. A tough environment for companies to navigate and deliver earnings.

Market development

Geopolitical risks and volatility are back in global equity markets. Early in February, the main theme was how much the US Fed would hike interest rates and what it would do to Asian bank margins and asset quality. Bond yields climbed everywhere and even the BoJ was seen as likely to give up on its long-standing Negative Interest Rate policy and needed to defend JGB bond yields below 0.25% under its Yield Curve Control policy. Later, the focus shifted quickly to the Russian invasion of Ukraine and all its implications. Particularly the relationship between Russia and China is sensitive, as Putin was one of the few international leaders who attended the opening ceremony of the Beijing Olympics. After an early rally, Asia-Pacific markets gave back gains on global instability and sharp spikes in commodity prices. Markets like Japan, South Korea and India are all quite dependent on imports of oil and will thus face pressure on their trade balance, but also on simply securing enough energy. The regional index lost just over 1% and thus proved more defensive than Western markets. Australia was strong on commodities. ASEAN did well with better economies and preference of foreign investors.

Expectation of fund manager

Our outlook for Asia-Pacific markets remains relatively bright. Multiples in Asia-Pacific and especially in our portfolio offer a lot of support. In Asia, monetary policy does not need to tighten as much as in the West, while inflation largely stays at bay. In fact, China can see some easier policies to support growth. Of course, further warfare resulting in even higher oil prices and slower global growth is a risk for Asia too. In Japan and South Korea, consumption should pick up as Covid measures are lifted slowly. The domestic economy of China has residual risk coming from property and may still have to deal with Covid lockdowns. Strong tech demand remains a driver for South Korea, Taiwan and Japan. Last year's Asia-Pacific earnings grew by a whopping 40%. Margins in some sectors may face pressure from commodity prices and supply chain issues. For growth in 2022, we expect a modest 8% and will monitor closely how input prices can be passed on. Valuations are 20% cheaper than global markets. The fund's portfolio (82 stocks) is excellent value at 10.1x earnings, 1.0x book, 6.0% free cash flow yield and a 3.2% dividend yield. The active share stands at 80% and beta is 1.02.

Top 10 largest positions

Our fund's focus is on value with a future: companies with good free cash flow generation and low expectations. Our attention also goes to earnings and share price momentum. Both Samsung Electronics and Hitachi are companies that deserve to rerate further due to their leading positions in fast growing markets. TSMC, Sony and SK hynix are Asian leaders that drive further digitization. Commodity leader BHP is a free cash flow machine. Life insurer T&D will unlock more value, especially if long yields rise. Japanese megabank MUFG trades too cheaply at less than half book value with 7% ROE, while China Construction Bank gets too much of a China discount at half book for 12% ROE. These stocks are much better than bonds! Drug maker Takeda has little growth, but is mistakenly seen as having no future. It does have one! Residential developer China Overseas made it into the top ten, as investors realize that those with a strong balance sheet stand to gain from the shakeout in the industry.

Fund price

28-02-22	USD	178.62
High Ytd (12-01-22)	USD	188.22
Low Ytd (25-02-22)	USD	176.74

Fees

Management fee	0.80%
Performance fee	None
Service fee	0.16%
Expected transaction costs	0.24%

Legal status

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

Issue structure	Open-end
UCITS V	Yes
Share class	I USD

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

Registered in

Austria, Germany, Hong Kong, Italy, Luxembourg, Netherlands, Singapore, Spain, Switzerland, United Kingdom

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns.

Risk management

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

Dividend policy

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

Fund codes

ISIN	LU0875837915
Bloomberg	ROAPEIU LX
WKN	A1XDD8
Valoren	3250382

Top 10 largest positions

Holdings	**Sector**	**%**
Samsung Electronics Co Ltd	Information Technology	4.43
Taiwan Semiconductor Manufacturing Co Lt	Information Technology	2.61
BHP Group Ltd	Materials	2.50
Mitsubishi UFJ Financial Group Inc	Financials	2.49
T&D Holdings Inc	Financials	2.37
Hitachi Ltd	Industrials	2.36
Sony Group Corp	Consumer Discretionary	2.05
Takeda Pharmaceutical Co Ltd	Health Care	2.04
China Construction Bank Corp	Financials	1.93
China Overseas Land & Investment Ltd	Real Estate	1.78
Total		**24.56**

Top 10/20/30 weights

TOP 10	24.56%
TOP 20	40.12%
TOP 30	53.85%

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	4.74	4.45
Information ratio	0.31	-0.04
Sharpe ratio	0.48	0.39
Alpha (%)	1.33	-0.21
Beta	1.03	1.03
Standard deviation	16.11	14.80
Max. monthly gain (%)	11.55	11.55
Max. monthly loss (%)	-14.31	-14.31

Above mentioned ratios are based on gross of fees returns

Hit ratio

	3 Years	5 Years
Months outperformance	18	27
Hit ratio (%)	50.0	45.0
Months Bull market	22	39
Months outperformance Bull	10	17
Hit ratio Bull (%)	45.5	43.6
Months Bear market	14	21
Months Outperformance Bear	8	10
Hit ratio Bear (%)	57.1	47.6

Above mentioned ratios are based on gross of fees returns.

Sustainability

The fund incorporates sustainability in the investment process through exclusions, ESG integration, engagement and voting. The fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up investment analysis to assess existing and potential ESG risks and opportunities. In the stock selection the fund limits exposure to elevated sustainability risks. 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.

Asset Allocation

Asset allocation	
Equity	99.1%
Cash	0.9%

Sector allocation

Semiconductors and commodity producers have strong pricing power. Shortages and underinvestment in new capacity will support high prices. We see lots of value in selected conglomerates, as they streamline the mix with care for minority shareholders. We see strong upside in property developers across Asia, but after the shakeout also in China. For defensive exposure, we believe telecoms are outrageously cheap in many parts of Asia. We are underweight high expectations in consumer, internet and healthcare stocks.

Sector allocation		Deviation index
Financials	19.1%	0.9%
Information Technology	18.6%	-0.4%
Industrials	14.6%	3.4%
Consumer Discretionary	11.3%	-3.4%
Communication Services	8.0%	-0.7%
Real Estate	7.4%	3.4%
Materials	6.2%	-1.1%
Consumer Staples	5.3%	-0.4%
Energy	5.3%	2.8%
Health Care	2.9%	-3.6%
Utilities	1.2%	-0.9%

Country allocation

The fund is heavy in Japan and South Korea. The Japanese local economy has improved in late 2021 and fears over market unfriendly policies from new Prime Minister Kishida are overdone. We continue to see good earnings growth ahead in both countries, but will closely monitor the impact of input prices. We have built a position in Indonesia as economic sentiment is improving and valuations are undemanding. In China we are underweight with macro risk plus a 'common prosperity' discount. We are also underweight in India and Taiwan, where we cannot find enough stocks that generate good free cash flow yields.

Country allocation		Deviation index
Japan	37.9%	5.9%
China	19.0%	-1.8%
Korea	12.2%	4.2%
Australia	10.2%	-0.3%
Taiwan	6.2%	-4.4%
Hong Kong	3.5%	-0.6%
India	3.0%	-5.1%
Singapore	2.4%	0.6%
Indonesia	1.9%	0.8%
Philippines	1.2%	0.7%
Thailand	0.8%	-0.4%
Pakistan	0.7%	0.7%
Other	1.1%	-0.2%

Currency allocation

We have partially hedged our overweight Japanese yen and Korean won. The yen trades weakly but looks quite undervalued. The US dollar keeps strengthening and most Asian currencies have weakened a little versus the USD. The strength of the Chinese RMB has been remarkable and makes it look rather expensive. It is supported by inflows into both the equity and the 'high-yielding' Chinese bond market. Technical charts and real effective exchange rate models are used to support fundamental views.

Currency allocation		Deviation index
Japanese Yen	33.6%	1.6%
Hong Kong Dollar	19.9%	-0.4%
Australian Dollar	10.2%	-0.1%
U.S. Dollar	10.2%	9.1%
Korean Won	7.5%	-0.5%
Taiwan Dollar	6.2%	-4.4%
Indian Rupee	3.0%	-5.1%
Chinese Renminbi (Yuan)	2.7%	-0.9%
Singapore Dollar	2.1%	0.3%
Indonesian Rupiah	1.8%	0.7%
Philippine Peso	1.2%	0.7%
Thailand Baht	0.8%	-0.4%
Other	0.9%	-0.5%

Investment policy

Robeco Asia-Pacific Equities is an actively managed fund that invests in stocks in developed and emerging Asian-Pacific countries. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. The fund promotes ESG (i.e. Environmental, Social and corporate Governance) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation and integrates 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 voting and engaging. The fund focuses on stocks of companies incorporated in Asia, Australia or New Zealand or those companies that exercise major part of economic activity from these regions. Country allocation is a less important performance driver, implemented via country and currency overlays. The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The fund can deviate substantially 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 the ESG characteristics promoted by the fund.

Fund manager's CV

Mr. van Rijn is CIO Asia-Pacific, Co-Head of the Asia-Pacific team and Lead Portfolio Manager of Robeco Asia-Pacific Equities. From 2003 to 2007 he was the Lead Portfolio Manager of Rolinco, one of Robeco's flagship equity products. Before that Arnout held several positions within the Robeco Equity department covering European, Asian and American markets. From its inception in 1994 until 2000, he was Portfolio Manager of Robeco's Emerging Markets Equities fund. From 2000 to 2002, Arnout worked in Hong Kong as head of the Fund Desk at Rabo Investment Management. He started his career in the investment industry in 1990. Arnout van Rijn holds a Master's degree in Business Economics from Erasmus University Rotterdam.

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.

MSCI disclaimer

Morningstar

Disclaimer

This document has been carefully prepared by Robeco Institutional Asset Management B.V. (Robeco). The information contained in this publication is based upon sources of information believed to be reliable. Robeco is not answerable for the accuracy or completeness of the facts, opinions, expectations and results referred to therein. Whilst every care has been taken in the preparation of this document, we do not accept any responsibility for damage of any kind resulting from incorrect or incomplete information. This document is subject to change without notice. The value of the investments may fluctuate. Past performance is no guarantee of future results. If the currency in which the past performance is displayed differs from the currency of the country in which you reside, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency. Unless otherwise stated, performances are i) net of fees based on transaction prices and ii) with dividends reinvested. Please refer to the prospectus and the Key Investor Information Document of the funds for further details. These are available at the Robeco offices or via the www.robeco.com website. The ongoing charges mentioned in this publication express the operational costs including management fee, service fee, taxe d'abonnement, depositary fee and bank charges and is the one stated in the fund's latest annual report at closing date. The information contained in this document is solely intended for professional investors under the Dutch Act on the Financial Supervision (Wet financieel toezicht) or persons who are authorized to receive such information under any other applicable laws. Robeco Institutional Asset Management B.V. has a license as manager of UCITS and AIFs from the Netherlands Authority for the Financial Markets in Amsterdam.