

Robeco Global DM Conservative Equity Fund (AUD Hedged) invests in low-volatile stocks all over the world in developed countries. The fund's long-term aim is to achieve returns comparable to those on global developed equity stocks, that show lower expected volatility than average global equity. The selection of these low-risk stocks is carried out using a quantitative model, which ranks stocks in a variety of ways, including market sensitivity, volatility, valuation and sentiment. The Fund engages in currency hedging to minimize the effect of fluctuations between currencies.



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Fund Manager since 15/02/2017

Net Performance (AUD)%

	Fund	Index
1 month	-2.06%	-7.29%
3 months	-2.75%	-7.06%
6 months	0.02%	-9.73%
1 year	5.93%	-1.10%
3 years	6.41%	9.32%
Calendar to Date	-5.04%	-11.78%
Performance since inception*	5.75%	7.97%

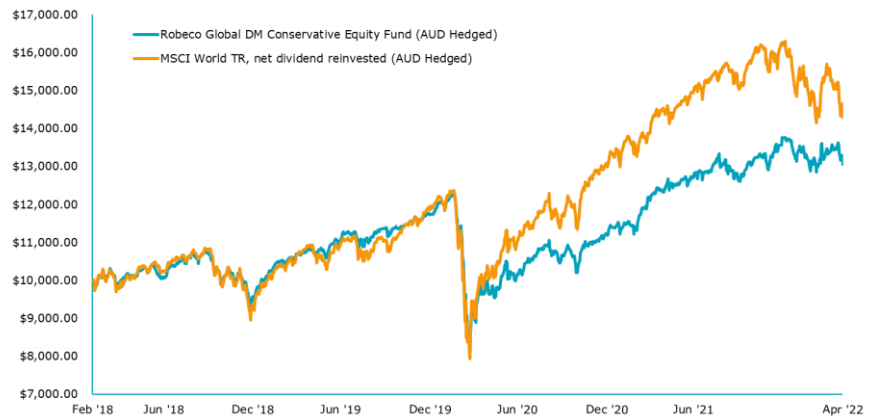
*Annualised (for periods longer than one year)

Fund return after fees, before taxes. Past performance is not a reliable indicator of future performance.

Reference Index

MSCI World TR, net dividend reinvested (AUD Hedged)

Net Performance Growth of \$10,000



Fund inception date 5 February 2018

Key Information

APIR Code	ETL1206AU
Type of fund	Equities
Currency	AUD
Fund inception date	05/02/2018
Total size of fund	AUD \$ 2,693,065
Daily tradable	Yes
Responsible entity	Equity Trustees Limited

Fees

Management fee	0.65%
Buy/Sell spread	0.10% / 0.08%

Investment Objective

The objective of the Fund is to deliver long-term equity returns at an expected lower risk than that of a market capitalisation weighted index. It aims to achieve a higher Sharpe ratio than equities in the long term. The fund invests in stocks that show lower volatility combined with good upside potential. It combines the outcome of a stock selection model with a disciplined portfolio construction algorithm. This prudent investment approach results in a low turnover portfolio of low-volatile stocks with low valuation and positive market sentiment.

Expectation of Fund Manager

The Global Developed Conservative Equities fund (AUD) 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.

Manager's Comments

Performance

The strategy performed significantly better than the market in last month's volatile market environment. Positive contributors were numerous, such as avoiding the weak performance of Amazon, NVIDIA and Tesla, and holding low-risk names such as Merck & Co, Target, Murphy USA, P&G, Nestle and Waste Management. Detractors were limited, main drag on performance was the underweight in energy stocks. From a factor perspective, the low-risk factor had the largest positive impact, while also value and momentum contributed positively.

Top 10 largest positions

Holdings	Sector	%
Microsoft Corp	Information Technology	3.04
Apple Inc	Information Technology	3.02
Merck & Co Inc	Health Care	2.02
Chevron Corp	Energy	1.97
Berkshire Hathaway Inc	Financials	1.94
Union Pacific Corp	Industrials	1.93
Procter & Gamble Co/The	Consumer Staples	1.92
McDonald's Corp	Consumer Discretionary	1.92
Coca-Cola Co/The	Consumer Staples	1.91
Cisco Systems Inc	Information Technology	1.91
Total		21.58

ESG integration policy

Environmental, Social and Governance (ESG) factors are systematically integrated in the highly disciplined investment process, by using the ESG scores from the RobecoSAM Corporate Sustainability Assessment. The ESG integration aims for a total ESG score of the portfolio higher than the index. Moreover, the scores on the Environmental, Social and Governance dimensions should also be higher than the index, to ensure that the ESG enhancement is reached across all three dimensions. This ensures that stocks with higher ESG scores are more likely to be included in the portfolio while stocks of companies that have very poor ESG scores are more likely to be divested from the portfolio. With these portfolio construction rules we aim for an ESG profile of the fund that is above average compared to its peers. In addition, stocks with corporate governance issues or stocks that have major litigation or regulatory risk may be excluded from the investable universe. Next to ESG integration, Robeco has an exclusion policy and conducts proxy voting and engagement activities based on International Corporate Governance Network objectives.

SI fund classification

	Yes	No	N/A
Voting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engagement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PRI ESG Integration Classification

	Yes	No	N/A
Screening	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainability Themed Fund	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Asset allocation

Asset allocation	
Equity	97.6%
Cash	2.4%

Sector allocation

The Robeco Global DM Conservative Equities Fund (AUD Hedged) is not benchmark driven. It uses a quantitative stock selection model for bottom-up selection of stocks with low expected 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
Health Care	17.5%	4.1%
Financials	17.1%	3.6%
Information Technology	16.5%	-5.1%
Consumer Staples	13.4%	5.7%
Communication Services	10.4%	3.0%
Consumer Discretionary	8.7%	-2.4%
Industrials	7.0%	-3.0%
Real Estate	4.3%	1.4%
Energy	2.9%	-1.7%
Utilities	2.1%	-1.0%
Materials	0.0%	-4.6%

Country allocation

The Robeco Global DM Conservative Equities Fund (AUD Hedged) is not benchmark driven. It uses a quantitative stock selection model for bottom-up selection of stocks with low expected 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 and attractively priced stocks.

Country allocation		Deviation index
United States	64.6%	-3.8%
Canada	6.9%	3.3%
Japan	4.5%	-1.6%
Australia	3.9%	1.6%
Switzerland	3.7%	0.8%
Norway	2.5%	2.3%
Netherlands	2.1%	0.9%
Singapore	1.8%	1.4%
Hong Kong	1.6%	0.8%
France	1.5%	-1.7%
Sweden	1.2%	0.2%
United Kingdom	1.0%	-3.4%
Other	4.5%	-0.9%

Important information MSCI

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The Fund's Target Market Determination is available here <https://www.eqt.com.au/insto/>. A Target Market Determination is a document which is required to be made available from 5 October 2021. It describes who this financial product is likely to be appropriate for (i.e. the target market), and any conditions around how the product can be distributed to investors. It also describes the events or circumstances where the Target Market Determination for this financial product may need to be reviewed.