Robeco N.V.

Investment company with variable capital, incorporated under Dutch law
Undertaking for Collective Investment in Transferable Securities
Chamber of Commerce registration number 24041906

Annual report 2014

Contents

General information 4

Key figures per share class 6

Report of the management board 7
General introduction 7
Investment results 8
Movements in net assets 9
Investment policy 9
Sustainability investing 11
Risk management 13
Statement of operational management 14
Fund Governance 15

Annual financial statements 16
Balance sheet 16
Profit and loss account 17
Cash-flow summary 17
Notes 18
General 18
Risks relating to financial instruments 18
Accounting principles 20
Principles for determining the result 21
Notes to the balance sheet 22
Notes to the profit and loss account 27
Spread of net assets 30
Currency table 31
List of securities 32

Other data 34
Profit appropriation 34
Proposed profit appropriation 34
Special controlling rights in accordance with the Articles of Association 34
Directors' interests 34
Statement of the independent auditor 35

Robeco N.V.

(investment company with variable capital, having its registered office in Rotterdam, the Netherlands)

Contact details
Dave H. Cross (company secretary)
Coolsingel 120
Postbus 973
NL-3000 AZ Rotterdam
Tel. +31- 10 - 224 12 24
Fax +31 - 10 - 411 52 88
Internet: www.robeco.com

Management Board (and Manager)
Robeco Institutional Asset Management B.V.
Management Board members:
Leni M.T. Boeren
Hester W.D.G. Borrie
Roderick M.S.M. Munsters (up to 1 January 2015)
Hans A.A. Rademaker
Jurgen B.J. Stegmann (up to 1 January 2015)

Portfolio managers
Mark R. Glazener
Boudewijn P. de Haan

Paying agent
ABN AMRO Bank N.V.
Gustav Mahlerlaan 10
NL-1082 PP Amsterdam

Fund agent
Rabobank International
Europalaan 44
NL-3526 KS Utrecht

Accountant
KPMG Accountants N.V.
Rijnzathe 14
NL-3454 PV De Meern

General information

Legal aspects

Robeco N.V. (the 'fund') is an investment company with variable capital established in the Netherlands. The fund is an Undertaking for Collective Investment in Transferable Securities (UCITS) within the meaning of the Council Directive for Investment Institutions dated 13 July 2009 (Directive 2009/65/EG). UCITS have to comply with certain restrictions to their investment policy in order to protect investors.

Share Classes

Ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The series include the following share classes:

Share class A: Robeco
Share class B: Robeco – EUR G.

The amendment resolution on the Financial Markets 2014 stipulates that distributors for investment institutions in the Netherlands will now only be permitted to charge commission/distribution fees subject to stringent conditions. For this reason, the fund has introduced a share class with a lower management fee (without distribution fee), namely Robeco – EUR G. In practice this means both a share class with a distribution fee and one without are available to the fund.

Various Dutch distributors have made use of the option to swap shares with a distribution fee (Robeco) for shares without a distribution fee (Robeco – EUR G). This exchange did not take place at any one fixed time and thus varies from one distributor to another.

Allocation to share classes

The fund is managed in such a way that the allocation of results to the different share classes occurs proportionately on a daily basis. Issuing and repurchasing proprietary shares are registered per share class. The differences between the various share classes are explained in notes 15 to 16 in the financial statements.

Tax features

On the basis of Article 28 of the Dutch Corporate Income Tax Act, the fund has the status of a fiscal investment institution. This means that no corporate-income tax is due, providing that, after the deduction of costs, the fund makes its profit available for distribution to shareholders in the form of dividend within eight months of the close of the financial year and satisfies any other relevant regulations.

Liquidity of ordinary shares

The fund is an open-end investment company, meaning that, barring exceptional circumstances, it issues and repurchases ordinary shares on a daily basis at prices approximating net asset value, augmented or reduced by a limited surcharge or discount. The only purpose of this surcharge or discount is to cover the costs made by the fund related to the entry and exit of investors. The maximum current surcharge or discount is 0.35%. Any surplus or deficit accrues or is charged to the fund.

The Robeco share class is listed on Euronext Amsterdam[1], Euronext Fund Service segment. In addition, the fund has a stock exchange quotation in Berlin, Dusseldorf, Frankfurt, Hamburg, Luxembourg, Munich, Paris, Vienna and Zurich. The Robeco – EUR G share class is listed on Euronext Amsterdam[1], Euronext Fund Service segment.

[1] Depending on the distributor, investments can be made in Robeco or Robeco- EUR G.

Key investor information and prospectus

A prospectus and a key-investor-information document with information on the product and its associated costs and risks are available for Robeco N.V. Both documents are available free of charge at the fund's offices and at www.robeco.com.

Representative and paying agent in Switzerland

RobecoSAM AG, Josefstrasse 218, CH-8005 Zurich, is the fund's appointed representative in Switzerland. Copies of the prospectus, Articles of Association, annual and semiannual reports and a list of all purchases and sales in the fund's securities portfolio during the reporting period are available from the above address free of charge.
UBS AG, Bahnhofstrasse 45, CH-8001 Zurich, is the fund's paying agent in Switzerland.

Representative and paying agent in Germany

State Street Bank GmbH - Frankfurt Branch (Agent Fund Trading), Solmsstrasse 83, D-60486 Frankfurt am Main is assigned as paying agent in Germany. The information address for Germany is Robeco Deutschland, Taunusanlage 17, D-60325 Frankfurt am Main. The prospectus, the Articles of Association and the annual/semi-annual reports may be obtained free of charge from the information address. The prices at which shares are bought and sold are published on www.robeco.de.

Financial services in Belgium

CACEIS Belgium N.V., Havenstraat 86C Bus 320, 1000 Brussels, has been appointed as financial-services provider in Belgium. The most recent periodic reports, the prospectus and the Key Investor Information and other information about the fund are available from them in Dutch and English.

Translations

This report is also published in Dutch and German. Only the original Dutch edition is binding and will be submitted to the General Meeting of Shareholders.

Key figures per share class

Overview 2010 – 2014						
Robeco	**2014**	**2013**	**2012**	**2011**	**2010**	**Average**
Performance in % based on:						
– Market price [1, 2]	18.5	21.3	13.9	–7.1	19.8	12.8
– Net asset value [1, 2]	17.6	20.3	15.5	–6.7	19.6	12.8
MSCI World Index [3]	20.1	21.9	14.7	–1.8	20.1	14.7
Dividend in EUR [4]	0.80	0.80	0.80	0.60	0.60	
Total net assets [5]	2.3	3.3	4.1	3.9	4.4	

Robeco – EUR G	**2014**	**2013 [6]**	**Average**
Performance in % based on:			
– Market price [1, 2]	19.1	16.7	18.6
– Net asset value [1, 2]	18.2	17.4	18.5
MSCI World Index [3]	20.1	18.5	20.1
Dividend in EUR [4]	0.80	0.80	
Total net assets [5]	1.4	0.4	

[1] Possible differences between the performance based on market price and on net asset value are caused by the fact that the last market price of the reporting period and the net asset value are determined at different times. The last market price of the reporting period is the price on the last market day of the reporting period and uses the price data at 06:00h. The net asset value is based on the valuation figures from the close of trading on that same day.

[2] Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

[3] Currencies have been converted at rates supplied by World Market Reuters.

[4] The dividend relates to the reporting year mentioned and is distributed in the following year. Proposed for 2014.

[5] EUR x billion.

[6] Concerns the period from 25 January through 31 December 2013.

Performance summary per share [1]					
EUR x 1					
Robeco	**2014**	**2013**	**2012**	**2011**	**2010**
Investment income	0.62	0.65	0.66	0.54	0.52
Change in value	4.29	4.48	2.97	–1.80	3.59
Management costs, service fee and other costs	–0.33	–0.29	–0.27	–0.25	–0.24
Net result	**4.58**	**4.84**	**3.36**	**–1.51**	**3.87**

Robeco – EUR G	**2014**	**2013 [2]**
Investment income	0.65	0.51
Change in value	4.73	5.54
Management costs, service fee and other costs	–0.19	–0.17
Net result	**5.19**	**5.88**

[1] Based on the average amount of shares outstanding during the reporting year. The average number of shares is calculated on a daily basis.

[2] Concerns the period from 25 January through 31 December 2013.

Report of the management board

General introduction

Economy

The year 2014 was characterized by a weak and uneven recovery in the global economy. The US maintained its momentum and continued to look solid, despite the slowdown in growth elsewhere. 2014 should have been the year of gradual but convincing recovery, but in fact global growth was disappointing, stalling at around 2.4%, whereas expectations had been in the region of 3%.

The performance of the Eurozone was not convincing. As a result of geopolitical unrest, the core countries were confronted with slackening producer and consumer confidence in the first six months of the year. The controversial annexation of the Crimea by Russia and the ensuing conflict in Ukraine caused Russia's relations with the West to cool significantly and uncertainty to increase. Eurozone governments made sluggish progress on structural reform and instead opted for austerity measures which slowed growth. Although there was almost no reform on the supply side of the economy, the periphery succeeded in significantly improving its competitiveness. Spain and Ireland in particular gained ground. Systemic risk in the Eurozone declined in the course of 2014, partially as a result of the more balanced competition between the member countries.

In Japan, the effects of the April 2014 VAT hike on the economy were more extensive than people had generally anticipated. And it did not manage to pull itself together again in the third quarter. Japanese Prime Minister Abe reconfirmed his mandate in December by handsomely winning the interim elections, enabling him to push forward with his economic reform program 'Abenomics' with renewed fervor. This reform program now relies fairly and squarely on quantitative easing by the Bank of Japan.

The Chinese economy weakened in 2014 as a result of a decrease in GDP growth to 7.3% in the third quarter. The Chinese authorities have implemented extra stimulus measures to ensure a controlled slowdown in overheated sectors such as real estate and we expect the Chinese economy to slow down in a restrained way. After all, the authorities have more than enough of a buffer to withstand the effects of potential bankruptcies.

The leading role on the macroeconomic stage this year was not taken by the central banks as in previous years, but by oil. Developments in the oil market generally forced central banks to implement monetary easing. In the course of the year, the oil price fell by almost 50% as a result of drastic changes in market dynamics. The market was flooded with excess oil when additional supply came onto the market from unconventional oil fields in the US, while slower global macroeconomic demand exacerbated this imbalance. In November OPEC, which is usually the leveling force in the oil market, chose not to reduce output. This meant that the market had to sort out the supply surplus and demand shortage itself, resulting in a collapse in the oil price.

The decline in the oil price and that of other commodities strengthened the disinflationary trend in the developed markets, particularly the Eurozone. In December 2014, this region was confronted with deflation for the first time since 2009, although core inflation remained positive at 0.8%. The ECB took preventative action in September by lowering its policy rate to zero and setting a negative deposit rate for banks. The central bank also started buying up more asset-backed securities to call a halt to falling inflation and to protect its inflation target of 'lower than, but close to 2%'.

In the US, the Fed ended its policy of quantitative easing and prepared the markets for a rate hike in 2015.

Outlook for the equity markets

2014 was once again a strong year for the global equity markets, with a total return of 18.6% for the MSCI World All Countries Index in euro terms. The main contributors to this performance were the developed equity markets and an appreciation of the US dollar versus the euro. Emerging markets lagged developed markets with a return of 11.4% in euro terms. Just as in 2013, stock prices outpaced earnings growth, pushing valuations – equity price/earnings ratios – to even higher levels. Stock price gains were driven by optimism on US economic growth, easy monetary policy in Japan and plans for accommodative policy in Europe. The markets in the US, Europe and Japan diverged. The US was the strongest, with a return of 13.7% in US dollars. Europe was weak, returning 4.9% in the Eurozone and 1% in the United Kingdom. The market appreciation in Japan of 8.9% in Japanese yen terms was somewhere between that of Europe and the US.

Stock prices are made up of two parts: the earnings growth and the price/earnings ratio that investors are prepared to pay for that earnings growth. We expect corporate earnings to continue to grow – not excessively, but somewhere between 5 and 10%. Japanese companies are expected to lead the way. The weaker yen is fully reflected in these higher earnings. Europe also has a tailwind, in the form of the weaker euro, but headwind from Russia. In the US strong growth and the lower oil price will have a positive effect on earnings growth. US consumers are having to spend less on energy and so have more disposable income for consumer goods. And now the second part: what price/earnings ratio are investors prepared to pay for this earnings growth in 2015 and the years that follow? The higher the price/earnings ratio, the more convinced investors are that the optimistic earnings expectations can also be achieved. Equity valuations say much about the prevailing sentiment. But sentiment has a tendency to suddenly change, especially when it reaches a peak or a trough. Given that we expect a slight pick up in earnings and no crisis, and that there are still enough skeptics and pessimists among investors, a fall in price/earnings ratios is unlikely.

The price/earnings ratio can also fall if there are good alternatives available. But interest rates on savings and bond yields are low and equities seem to be the only option if you are seeking higher returns. The argument – that there is nothing better available – is primarily the result of the central banks' monetary policy. By keeping interest rates low and buying up debt paper, they have caused bond returns to become so low that investors are being driven towards more risky investments, such as equities. In a scenario of unchanged price/earnings ratios and higher earnings forecasts, we expect equity markets to rise further in 2015. Of course there are other possible scenarios that could completely upset our positive outlook for the equity markets. Imagine for example that the largest global economies all grow unexpectedly quickly and in tandem in 2015. This would cause interest rates to rise rapidly and could cause significant declines in both the bond and equity markets. Or imagine that the slowdown in China's economic growth is more extreme and quicker than we are now expecting – this could have a negative effect on all those companies that have benefited from the upcoming Chinese middle class in recent years.

Investment results

Investment result per share class

Share Class	Price in EUR x 1 31/12/2014	Price in EUR x 1 31/12/2013	Dividend paid in April 2014 [1]	Investment result in reporting periods in % [2]
Robeco			0.80	
- Market price	32.11	27.90		18.5
- Net asset value	32.12	28.12		17.6
Robeco – EUR G			0.80	
- Market price	33.43	28.87		19.1
- Net asset value	33.43	29.09		18.2

[1] Ex-date

[2] Any dividend payments that are distributed in any year are assumed to have been reinvested in the fund.

The stock markets in the US and Japan made a solid contribution to the portfolio's strong performance in 2014 and the appreciation of the US dollar against the euro also had a positive impact. Economically sensitive sectors like energy, basic materials, and industrials lagged the average, while the health care, utilities and information technology sectors enjoyed the best results.

The portfolio of Robeco N.V. realized a slightly negative result of -1.2% compared to its benchmark in terms of net asset value (before deduction of costs). Of the -1.2% mentioned above, -1.4% was attributable to stock selection and +0.2% to sector allocation. The consumer staples, health care and information technology sectors made a significant contribution. In the financials and industrials sectors the results lagged the benchmark by some margin.

The absence of any real estate holdings in the financials sector was a clear detractor. The real estate investment trusts (REITs) in particular achieved exceptionally strong results of more than 40% in euro terms. In many countries regional banks registered strong stock price gains. The emphasis in our portfolio was on Japanese and French banks and they deviated strongly from this trend. The poorer results within the industrials sector were caused by a small group of significant underperformers: JGC, a company that constructs LNG factories, suffered as a result of the collapse in the oil price; Terex, a supplier to the construction market, failed to perform as a result of a failed restructuring and Applus Services, which supplies measuring services to the oil industry, for example, suffered a profit warning following its IPO.

Movements in net assets

During the reporting period the assets of the Robeco fund fell by EUR 34.5 million to EUR 3,723.1 million. This decline can be explained by the following items.

Survey of movements in net assets	
EUR x thousand	**2014**
Assets at opening date	3,758,712
Company shares issued	1,117,080
Company shares repurchased	–1,643,278
Situation at closing date	**3,232,514**
Direct investment income	77,595
Costs	–34,390
Indirect investment income	**547,294**
Net result	**590,499**
Dividend payments	**–99,889**
Assets at closing date	**3,723,124**

More information can be found in the notes on the changes to shareholders' equity on page 23.

Investment policy

The investment philosophy of the Robeco Fund is based on three pillars.
1. Benefiting from long-term trends.
Structural changes affect the dynamics of existing industries and lead to the emergence and growth of new industries. Recognizing such trends at an early stage will lead to outperformance.
2. Using patterns of behavior
The behavior shown by investors that is based on motives such as fear and greed results in inefficiencies in the market, and Robeco N.V. applies a systematic process to make use of these. Robeco N.V. differs from other funds in that it uses a proprietary Robeco Group model that ranks stocks according to expected returns: the 'quantitative ranking'.
3. Using ESG factors
Companies that take the environment, society and good corporate governance into account will in the long term come out as winners. ESG information is an important element in the investment process of the Robeco Fund. The sustainability criteria of subsidiary RobecoSAM and the rankings of companies in terms of these criteria provide important input for the analysis of potential investments.

Robeco N.V's investment horizon is set on the long term. We select stocks which, in our opinion, other investors might underestimate in terms of their long-term value-creation potential, as they often focus on the shorter term. For this selection, we use our fundamental knowledge of sectors and apply sustainability criteria. Below we discuss the different sectors in the portfolio.

Energy
We had an underweight position in the energy sector throughout the year. At the beginning of the year we sold our holdings in Chevron and Valero; both stocks had reached their price target levels. Within the sector we also had a preference for European integrated oil companies such as Total and Royal Dutch Shell, which was a good choice, given

that these stocks significantly outperformed Exxon and Chevron. Total and Royal Dutch Shell also scored better in terms of our sustainability criteria. We had also positioned ourselves for the long-term trend of the development of shale gas in the US with our position in Nabors, which supplies drilling platforms to oil exploration companies. The fall in the oil price caused this company's stock price to plummet.

Materials

We maintained a neutral position in the materials sector throughout the year. In this sector we sold Agrium as many of its products depend on income from farmers and thus also on the prices of crops such as maize and soybeans. These prices came under pressure in 2014 as a result of exceptionally good harvests in North and South America. In the portfolio we continue to focus on the long-term necessity to increase agricultural productivity and thus consolidate the sustainability of global food supplies. We do this by investing in Syngenta, a producer of seeds and plant protection agents. We sold Boliden – one of the best performing stocks in the mining sector – and bought Crown Holdings, which has a strong position in the market for aluminum packaging.

Industrials

We had an underweight position in the industrials and services sector throughout the year. We were less fortunate with our investments in this sector, as explained under the investment result heading. This sector is characterized by a multitude of companies that all service highly diverse markets. We have increased the portfolio's focus on the long-term trend of automation. This focus was enhanced by adding Omron to the portfolio (a Japanese producer of automation components), KUKA (a German producer of robots and Emerson Electric (a US producer of control systems for industrial processes). Japanese construction company JGC was replaced by Stanley Black & Decker, which positioned us for a recovery in the US construction market. Existing holdings such as Ingersoll-Rand, Parker Hannifin and Allegion are also related to this trend.

Consumer discretionary

We had an underweight position in the consumer-discretionary sector throughout the year. This position was raised to neutral at the end of 2014. The sector is expected to benefit from lower oil prices, particularly in the US. US consumers are having to spend less on energy and so have more disposable income for consumer goods. We took positions in Michael Kors, Ralph Lauren and Lululemon. At the beginning of the year we sold holdings in producers of luxury goods, such as Richemont and Prada. The target price of both stocks had almost been reached. The policy of the Chinese government to tackle corruption and thus also the practice of giving and receiving expensive gifts weakened the market for luxury goods, especially in China and Hong Kong.

Consumer staples

We had an overweight position in the consumer-staples sector throughout the year. We sold positions in L'Oréal, Henkel and Colgate-Palmolive, as all had reached their target price. We bought Pernod Ricard because of the expected success of its restructuring program. We continue to position the portfolio to benefit from long-term trends. We invest in the stocks of companies with strong brands and effective distribution networks in emerging markets, such as Mondelez and SAB Miller. Another trend we are focusing on is 'Health & Wellness', because in an aging world in which the costs for health care are rising, prevention is becoming increasingly important. Positions in stocks in portfolio that capitalize on this trend are CVS Health, Nestlé and Reckitt Benckiser.

Health care

We had a neutral position in the health care sector throughout the year. Innovation and specialization (focus on specific areas of disease) are important long-term trends within the sector. We took a position in AbbVie at the beginning of the year and this company reflects this trend perfectly. The company is a major player in the field of medicine for rheumatism and hepatitis C. Our purchase of Actelion stock also reflects this. The company controls the market for pulmonary hypertension (high blood pressure in the pulmonary artery). Expenditure on health care is continuing to rise in many countries of the world. An aging population contributes significantly to this, as does the introduction of the Affordable Care Act, which gives a large number of previously uninsured Americans access to health care. HCA (America's biggest group of hospitals), Mednax (specialized staff recruiter for hospitals) and DaVita (active in the field of kidney dialysis and health-care coordination) are companies that can benefit from this. In the long term, these companies will help to bring the cost of health care under control. After the takeover bid for Allergan, we sold this stock.

Financials
In the financials sector we had an underweight position throughout the year, primarily in real estate, as already explained in the investment result section. Those stocks in the portfolio related to capital market activities achieved good results again. Examples are BlackRock, StateStreet and McGraw Hill Financial. In the banking sector we made several good purchases, such as Royal Bank of Scotland, which during the year published better than expected losses on their loan portfolios, and Resona Holding, which generated good results from its regional banking activities. However, there were also some stocks that performed less well. Société Générale and Bank of Nova Scotia (the worst-performing Canadian bank). In the last quarter we switched out of life insurer Dai-Ichi Life Company into American International Group, an insurance company with restructuring potential, and sold Prudential PLC and bought AIA Group (with growth potential).

Information technology
We had an overweight position in the information-technology sector throughout the year. We took the the most important decision in March 2014 when we bought back Apple, which we had sold in 2013. Apple stock was cheap at that time and the company was on the brink of a new product cycle. This decision proved to be a good one. That also applied to our sale of eBay and Qualcomm, but not to our switch from EMC into VMware. We continue to focus on the principal trends in technology: cloud computing (increasing use of data centers and the internet), mobile internet (increasing use of mobile internet services: digital paying options, e-commerce), the processing of large quantities of data and the protection of this data.

Telecommunication services
We maintained a neutral position in telecommunications services throughout the year. The emphasis in the portfolio was on Europe (Vodafone, Telenor, Telecom Italia). We profited from Liberty Global's bid for Ziggo. We did not invest in the US, because the costs of licenses are very high there and the providers have started competing increasingly on price. In Japan we hold KDDI. The company provides a range of telecom services bundled into one package (mobile, fixed line and broadband for internet), which enables them to achieve customer loyalty.

Utilities
We had an underweight position in the utilities sector throughout the year. We had no holdings in Europe because the companies we hold stocks in are focused on areas where growth in investment is still occurring: AES, which has a strong presence in growing emerging markets, and NextEra, which is significantly expanding its wind energy activities in the United States. This has resulted in NextEra becoming one of the US utility companies with a high sustainability rating from RobecoSAM.

Emerging markets
It was decided in 2010 to expand the investable universe to include emerging markets. In 2014 we continued with this strategy by taking a position in Baidu (the Chinese Google with a range of internet services) and by participating in the Alibaba IPO. We sold our position in Samsung at the beginning of 2014. The total position in emerging markets amounted to 0.5 % at the end of 2014.

Currency policy
The currency policy is based on the benchmark weightings. Only minor deviations are made from this benchmark. For further quantitative information about the currency risk, please refer to the spread across currencies in the Spread of net assets, which is part of the Notes section on page 30.

Sustainability investing

The sustainability investing carried out by funds at Robeco is implemented with minimum restrictions to the investment universe, and consists of a combination of effective measures:

- exercising voting rights
- engagement
- exclusions
- integrating ESG factors[1] into the investment processes.

[1] ESG stands for Environmental, Social and Governance.

Exercising voting rights
The Manager aims to exercise voting rights on shares held by the fund throughout the world. The Manager is convinced that effective corporate governance will be beneficial to shareholder value in the longer term. The corporate-governance policy of the Manager is based on the internationally accepted principles of the International Corporate Governance Network (ICGN). The Manager is of the opinion that local legislation and codes for corporate governance, such as the Corporate Governance Code in the Netherlands, should be guiding principles for corporate-governance practice and voting behavior. This approach is in line with the ICGN Global Governance Principles.

Engagement
Engagement means making active use of the rights of investors to influence how companies are managed. Robeco enters into active dialogue with companies about corporate social responsibility. In our opinion, this will increase shareholder value for our clients in the longer term. We use an integral approach, which combines the expertise of our investment analysts, our sustainability-investing research analysts and our engagement specialists. By using financially material information as the basis for our talks, we strive to ensure that our dialogue introduces added value and improves the risk/return profile of the company's stock. This way we generate value for our clients as well as the company.

Exclusions
Robeco's exclusion policy is based on two main exclusion criteria. Firstly, it excludes companies that are involved in the production of controversial weapons or essential components for such weapons, or that gain significant revenues from the sale or transport of these weapons. We base our policy of not investing in such companies on a legislative amendment in the Netherlands governing investments in cluster-munition companies that became effective on 1 January 2013. Besides the exclusion policy for companies, Robeco also has an exclusion policy for countries. Robeco considers any country that systematically violates the human rights of its own citizens as controversial. These exclusions apply to country-related investments (such as government bonds). Secondly, an unsuccessful dialogue may in time lead to a company's exclusion from the investment universe. Such a dialogue with a company concerns serious and systematic violations of widely accepted international directives on good corporate governance. Robeco focuses in particular on the United Nations Global Compact. Robeco Group’s Management Board has the final authority to exclude companies and countries. Robeco Institutional Asset Management B.V. will apply this exclusion list in its capacity as manager.

Integration of ESG factors in investment processes
We believe that sustainability investing improves the risk-return profile of a portfolio. Taking environmental, social and corporate governance information into account provides a better understanding of the issues, which helps make well-founded investment decisions. The investment philosophy adopted by the Robeco Fund rests on three pillars, one of which is ESG integration. Companies that take the environment, society and good corporate governance into account will in the long term come out as winners. Ignoring ESG factors leads to reputation and financial risk.

The investment philosophy used by Robeco N.V. is based on the idea that short-term investors underestimate the capacity of companies to create value for the long term. As a rule, the market is not prepared to look beyond the short term and the Robeco Fund capitalizes on this. Sustainability, in particular, is oriented towards the long term and is therefore highly suited to a long-term investment horizon. The sustainability criteria of subsidiary RobecoSAM and the rankings of companies in terms of these criteria provide important input for the analysis of potential investments. Each year, RobecoSAM sends some 2500 companies a comprehensive questionnaire covering general and sector-specific ESG issues. RobecoSAM's sector analysts translate the results obtained, adding publicly available information, into scores for these companies relative to various environmental, social and economic criteria. The stocks of companies with a good RobecoSAM score have a greater chance of being included in the portfolio.

Cooperation with RobecoSAM has been further intensified. This enables us to see how a company's ESG performance compares to that of its competitors. Stocks that are included in the portfolio such as Royal Dutch Shell, Total, BG Group, Akzo Nobel, Syngenta, DSM, Linde, Rio Tinto, United Technologies, ABB, Siemens, Ingersoll-Rand, Deutsche Post, Toyota, BMW, Kingfisher, Nestlé, Mondelez, British American Tobacco, Reckitt Benckiser, Roche, AbbVie, AstraZeneca, Citigroup, BBVA, Société Générale, Royal Bank of Scotland, McGraw Hill Financial, Axa, Cisco, Hewlett-Packard, Telecom Italia, Telenor, Vodafone, NextEra Energy and AES Corporation all have good scores on ESG factors. The average ESG score for the stocks in portfolio is higher than that of the benchmark.

For every investment in a stock , the analyst first draws up an investment case of the company. This includes the analyst's view on the sector, the corporate strategy, the product portfolio, the competitive strength and a SWOT analysis of the company. In order to determine the value of the company, we use four value drivers: revenue growth, margin growth, invested capital and a risk factor. To determine a stocks true value the analyst inputs these four factors into a valuation model. Example: we expect that sales at Nestlé will grow by 4.5% in the next few years, while the operational margin will expand from 16% to 19%. We think that the invested capital of Nestlé will grow more slowly than its sales, because the company will have better control of its working capital. The resulting cash flows will be discounted against a discount factor of 7%, which also indicates the level of risk. The impact of important ESG factors is explicitly included in the stock's valuation.

We use three steps to quantify the impact of ESG factors on the valuation of company. The first step is to focus on the most important factors in the industry in question; these are the factors that have the most impact on the value drivers in the industry, in positive or negative ways. The second step is for us to establish the effects of these factors on the individual company. The third step is to translate the resulting competitive advantages or disadvantages into value drivers in the valuation model. These steps are carried out in consultation with RobecoSAM sustainability research analysts and the Robeco global equity analysts.

Example: in the food industry we see health, food safety and supply chain management as the most important factors. This year it was important to evaluate the food scandals in China because these have a significant impact on the image of the company involved and thus its valuation. Another example are the utilities companies: we negatively adjusted the valuations of German utilities companies for using coal (also brown coal) in their product mix. A further example: privacy of personal data is an important factor for many internet companies. Each company tackles this in a different way. The corporate models of Google and Facebook are based on collecting as much personal data as possible to enhance the effectiveness of targeting clients for their advertisers. This has an effect on the value of Google and Facebook in two ways. It increases their revenue but also heightens their reputation risk. In order to evaluate this risk, we use a higher discount rate for the future cash flows of both companies. Apple says that it does not keep personal data on the purchasing behavior of iTunes users and so these risks are less applicable to Apple and its valuation has not been adjusted to reflect this.

Risk management

The fund uses financial instruments, the associated risks of which are specified in the financial statements.

Risk management is an integral part of the investment process. Various systems are used to measure and monitor the key risks, including price risk, counterparty risk and liquidity risk. In addition, an independent Group Risk Management department that reports directly to the CFO carries out controls. Financial and operational risks are inherent in asset management. Therefore it is very important to have a procedure to control these risks embedded in the company's day-to-day operations.

At Robeco, management holds overall responsibility for risk management, as part of its daily activities. The second line of responsibility lies with the Group Compliance and Group Risk Management departments, which develop and maintain policy, methods and systems that enable management to fulfill its responsibilities in terms of risk control. The Group Internal Audit department carries out audits to check the level of internal control. The Risk Management Committee makes policy decisions on risk management and monitors whether risks remain within the set limits.

The Robeco Group uses a risk-management framework (Robeco Control Framework) that supports the effective control of all types of risk. Within this framework, risks are periodically identified and assessed as to their significance and materiality. Internal procedures and measures are focused on providing a structure to control both financial and operational risks. The risks, procedures and measures are all actively monitored.

Robeco constantly seeks opportunities to simplify processes and reduce complexity in order to mitigate operational risks. A number of major projects to reduce IT-related complexity were completed in 2014.

Specific attention is paid to the continuity of critical operational processes. To this end, the Robeco Group has taken measures to minimize as far as possible any damage that may result from an interruption of its services. The Business Continuity Management (BCM) process has established a solid crisis organization and BCM policy with guidelines based on ISO 22301 to ensure that critical processes and services are maintained in the event of a crisis. The BCM provisions and plans are regularly evaluated by performing a range of tests, including crisis simulations and technical relocation tests.

The Robeco Group has improved its processes and methods for measuring and controlling risk in a number of areas.

In the field of market risk, the methodology for evaluating the predictive powers of the key market risk criteria has been improved. By regularly evaluating these measures and where necessary improving them, market risks can be even more effectively measured and monitored. In addition, a new type of market risk report has been introduced at individual fund level, which makes it possible to better analyze the investment funds' market risk figures.

Group Risk Management has also improved the methodology for measuring and controlling liquidity risk. As a result, the Robeco Group is better able to gain insight into the risks that arise through a combination of the exit risk and liquidity risk relating to financial instruments.

The Robeco Group also continuously strives to further minimize the consequences the possible bankruptcy of a counterparty would have on the funds. As such, further steps were taken in 2014 to make contractual agreements with almost all of the counterparties on the exchange of collateral.

Further information on the specific risks of the fund can be found in the Notes to the balance sheet on pages 18 through 20.

Applicable new legislation
New legislation can affect Robeco funds. This applies particularly for the upcoming amendment to the European directive for certain institutions for collective investment in securities (UCITS Directive). These amended guidelines, also referred to as the UCITS V, will come into effect on 31 March 2016. The two most important elements of the UCITS V that will affect Robeco funds are:

1. Remuneration: The UCITS V contains 17 principles covering the remuneration policy of fund managers. These principles correspond to a large extent with the existing principles for remuneration policies under the AIFM Directive.
2. Custodian: Under UCITS V, far more stringent requirements will be placed on custodians. Only banks and other parties that have specifically received a license for this (including investment institutions) may act as custodians. Detailed conditions have been drawn up with which the custodian must comply when implementing its custodial tasks. Experience with the AIFM Directive, where a similar provision applies, have demonstrated that regulators can be critical about the content of these custodial agreements. Furthermore, under the UCITS V strict conditions are placed on the outsourcing of activities by the custodian and the related responsibility and liability.

In January 2015, a project group was set up at Robeco with the objective of ensuring that the company is completely compliant with the UCITS V by the time it becomes effective.

Statement of operational management
Robeco Institutional Asset Management B.V. has a statement of operational management, which meets the requirements of the Dutch Financial Supervision Act [*Wet op het financieel toezicht*, or 'Wft'] and the Dutch Market Conduct Supervision of Financial Enterprises Decree [*Besluit Gedragstoezicht financiële ondernemingen*, or ‘BGfo’].

Activities
We have assessed several aspects of operational management throughout the past financial year. In our assessment we noted nothing that would lead us to conclude that the description of the structural aspects of operational management within the meaning of Article 121 of the BGfo failed to meet the requirements as specified in the Wft and related regulations. On the basis of this we, as directors of Robeco Institutional Asset Management B.V., declare that we possess a statement of operational management as defined in Article 121 van het BGfo that meets the requirements of the BGfo.

Report on operational management
In our assessment we noted nothing that would lead us to conclude that operational management does not function as described in this statement. We therefore declare with reasonable assurance that operational management has been effective and has functioned as described throughout the reporting year.

Fund Governance

Robeco has its own Principles on Fund Governance. These principles largely correspond to the principles of the Dutch Fund and Asset Management Association (DUFAS). The objective of the Principles is to give more detailed guidelines for the organizational structure and working methods of fund managers or independent investment institutions and to provide guarantees for integrity in the fund's activities and ensure the careful provision of services. Group Compliance is the Robeco department that ensures that the Principles are constantly monitored. Once every three years Robeco's Group Internal Audit carries out an audit of the Fund Governance as structured and implemented at Robeco, and of its compliance with the DUFAS Principles on Fund Governance. The latestst︎ audit was in July 2014. As a result of this audit, the text of Robeco's Principles on Fund Governance was amended slightly on several points. This text can be found on the Robeco website.

In addition, one of the Robeco Groep N.V. Supervisory Board's three Committees (the Investment Committee) focuses particularly on funds from the whole Robeco Groep. These meetings were attended by the members of the Management Board of Robeco Groep N.V. and representatives from the investment departments. The product range, profitability of the products, the implemented investment policy and the fund performance were all discussed. During these discussions, comparisons were also made between the performance and the set performance targets and ratings, such as those of Morningstar.
The Audit & Risk Committee of the Robeco Groep N.V. Supervisory Board discusses issues relating to compliance and risk management, in the presence of members of the Robeco Groep N.V. Management Board, the heads of the Group Internal Audit, Group Compliance and Group Risk Management departments and representatives from the independent auditor. In these meetings various elements are covered including reported incidents and the measures taken to handle these, and Group Compliance reports on active and passive breaches relating to investment guidelines if these have occurred.
Both Committees are made up of seven members, six of whom are independent (from the shareholders).
This ensures that developments relating to Robeco Groep funds are brought to the attention of the Supervisory Board, which is responsible for the supervision of the Robeco Groep.

Rotterdam,10 March 2015
The Management Board

Annual financial statements

Balance sheet

before profit appropriation, EUR x thousand		31 December 2014	31 December 2013
ASSETS			
Investments			
Financial investments			
Equities	1	3,684,101	3,733,527
Derivatives	2,13	5,776	8,685
Total investments		**3,689,877**	**3,742,212**
Accounts receivable			
Receivables on securities transactions		14,898	25,087
Dividends receivable	3	3,285	4,134
Amounts owed by affiliated companies	4	21	756
Receivables from collateral provided	5	3,170	1,620
Other receivables	6	9,486	12,707
		30,860	**44,304**
Other assets			
Cash and cash equivalents	7	29,108	**16,023**
LIABILITIES			
Investments			
Derivatives	2,13	12,816	11,889
Accounts payable			
Payable to credit institutions	9	1,727	10,358
Payable to affiliated companies	8	3,030	3,325
Other liabilities	10	9,148	18,255
		13,905	**31,938**
Accounts receivable and other assets less accounts payable		**46,063**	**28,389**
Assets minus liabilities investments minus accounts payable		**3,723,124**	**3,758,712**
Composition of shareholders' equity			
Issued capital	11,12	114,177	133,174
Other reserves	11	3,018,448	2,909,005
Net result	11	590,499	716,533
		3,723,124	**3,758,712**
Net asset value Robeco per share		**32.12**	**28.12**
Net asset value Robeco - EUR G per share		**33.43**	**29.09**

The numbers of the items in the financial statements refer to the numbers in the Notes.

Profit and loss account

EUR x thousand		2014	2013
Investment income	14	77,595	95,978
Changes in value			
Unrealized	1,2	134,858	138,299
Realized	1,2	412,436	525,329
		624,889	**759,606**
Costs	15		
Management costs	16	29,629	38,367
Service fee	16	4,023	4,079
Other costs	18	738	627
		34,390	**43,073**
Net result		**590,499**	**716,533**

Cash-flow summary

Indirect method, EUR x thousand		2014	2013
Cash flow from investment activities			
Net result		590,499	716,533
Realized and unrealized results	1,2	–547,294	–663,628
Purchase of investments	1,2	–1,341,054	–1,531,629
Sale of investments	1,2	1,942,297	2,507,318
Increase (–)/decrease (+) accounts receivable	3,4,6	13,059	–10,122
Increase (+)/decrease (–) accounts payable	8,10	–3,129	–4,811
		654,378	**1,013,661**
Cash flow from financing activities			
Received for shares subscribed		1,117,080	575,357
Paid for repurchase of own shares		–1,643,278	–1,467,844
Dividend payments		–99,889	–122,756
Increase (–)/decrease (+) accounts receivable	6	385	8,448
Increase (+)/decrease (–) accounts payable	10	–6,273	1,608
		–631,975	**–1,005,187**
Net cash flow		**22,403**	**8,474**
Currency and cash revaluation		–687	–4,402
Increase (+)/decrease (–) cash		**21,716**	**4,072**
Cash at opening date	7	16,023	5,578
Accounts payable to credit institutions at opening date	9	–10,358	–3,985
Total cash at opening date		**5,665**	**1,593**
Cash at closing date	7	29,108	16,023
Accounts payable to credit institutions at closing date	9	–1,727	–10,358
Total cash at closing date		**27,381**	**5,665**

The numbers of the items in the financial statements refer to the numbers in the Notes.

Notes

General

The annual financial statements have been drawn up in conformity with Part 9, Book 2 of the Dutch Civil Code and the Wft. The fund's financial year is the same as the calendar year. The notes referring to fund shares concern ordinary shares outstanding.

Ordinary shares are divided into two series, both of which are open. Each series is designated as a share class. The series include the following share classes:

Share class A: Robeco
Share class B: Robeco – EUR G.

Change in presentation
As a result of the revised directive of the Netherlands Authority for the Financial Markets (AFM) the presentation of the changes in shareholders' equity have been brought into line with the capital structure of the fund, having different share classes. This change in the way that it is presented has no effect on the net result and the assets of the fund. The comparative figures have been adjusted accordingly.

Merger of RIAM, Robeco Securities Lending B.V. and Robeco Direct N.V.
On 2 July 2014, Robeco Institutional Asset Management B.V. (RIAM) was merged with Robeco Securities Lending B.V. (RSL) and Robeco Direct N.V. (RD). RIAM has continued with the activities of both RSL and RD. These latter companies ceased to exist on the same date.

Risks relating to financial instruments

Investment risk
The value of investments may fluctuate. Past performance is no guarantee of future results. The net asset value of the fund depends on developments in the financial markets and can therefore either rise or fall. Shareholders run the risk that their investments may end up being worth less than the amount invested, or even worth nothing. The general investment risk can also be characterized as market risk.

Market risk
Market risk can be divided into three types: price risk, concentration risk and currency risk. Market risks are contained using limits on quantitative risk measures such as tracking error, volatility or value-at-risk. This means that the underlying risk types (price risk, concentration risk and currency risk) are also indirectly contained.

Price risk
The net asset value of the fund is sensitive to market movements. In addition, investors should be aware of the possibility that the value of investments may vary as a result of changes in political, economic or market circumstances, as well as changes in an individual business situation.

Currency risk
All or part of the securities portfolio of the fund may be invested in currencies, or financial instruments denominated in currencies other than the euro. As a result, fluctuations in exchange rates may have both a negative and a positive effect on the investment result of the fund. Currency risks may be hedged with currency forward transactions and currency options. Currency risks can be limited by applying relative or absolute currency concentration limits. For further quantitative information about the currency risk, please refer to the spread across currencies in the Spread of net assets, which is part of the Notes, on page 30.

Concentration risk
Based on its investment policy, the fund may invest in financial instruments from issuing institutions that (mainly) operate within the same sector or region, or in the same market. In the case of concentrated investment portfolios events within the sectors, regions or markets in which they invest have a more pronounced effect on the fund assets than in less concentrated investment portfolios. Concentration risks can be limited by applying relative or absolute country or sector concentration limits. For further quantitative information about the concentration risk, please refer to the spread across countries and sectors in the Spread of net assets, which is part of the Notes section on page 30.

Counterparty risk

Counterparty risk is a circumstantial form of risk that is a consequence of the implemented investment policy. It occurs when a counterparty of the fund fails to fulfill its financial obligations arising from financial transactions with the fund. This risk is limited as much as possible by taking every possible care in the selection of counterparties. In selecting counterparties the assessments of independent rating bureaus are taken into account, as are other relevant indicators. Wherever it is customary in the market, the fund will demand and obtain collateral in order to mitigate counterparty risk. In the table below a figure that best represents the maximum credit risk is indicated.

Counterparty risk

	31 December 2014		31 December 2013	
	EUR x thousand	In % of net assets	EUR x thousand	In % of net assets
Unrealized profit on derivatives	5,776	0.16	8,685	0.23
Accounts receivable	30,860	0.83	44,304	1.18
Cash and cash equivalents	29,108	0.78	16,023	0.43
Total	**65,744**	**1.77**	**69,012**	**1.84**

In the calculation of the total credit risk any collateral received is not taken into account. Counterparty risk is contained by applying limits on the exposure per counterparty as a percentage of the fund assets. As of the balance sheet date the fund's exposure to any single counterparty did not exceed 5% of the total assets.

Risk of lending financial instruments

In the case of securities-lending transactions, collateral is requested and obtained for those financial instruments that are lent. In the case of securities-lending transactions, the fund runs a specific type of counterparty risk: that the borrower cannot comply with its obligation to return the financial instruments on the agreed date or to furnish the requested collateral. The lending policy of the Fund is designed to control these risks as much as possible.

The credit worthiness of counterparties in securities-lending transactions is assessed on the basis of how independent rating agencies regard their short-term credit worthiness and on the basis of their net assets. Guarantees given by parent companies are also taken into account.
The fund only accepts collateral from OECD countries in the form of:
– government bonds with a minimum credit rating of BBB-
– the bonds of supranational bodies with a minimum credit rating of BBB-
– stocks listed on the main indexes of stock markets in OECD countries
– cash (CAD, CHF, EUR, GBP, JPY of USD)

In addition, concentration limits are applied to collateral to restrict concentration risks in the collateral and there are also liquidity criteria for containing the liquidity risks in the collateral. Finally, depending on the type of lending transaction and the type of collateral, we may request collateral with a premium over the value of the lending transaction. This limits the negative effects of price risks in the collateral.

As of balance-sheet date, the fund had received collateral ensuing from securities-lending transactions. More information can be found in the Notes to the balance sheet.

Liquidity risk

Liquidity risk is a circumstantial form of risk that is a consequence of the implemented investment policy. Liquidity risk occurs when financial instruments cannot be sold in a timely fashion unless additional costs are incurred. Liquidity risk can be divided into two categories: entry and exit risks and the liquidity risk of financial instruments.

Entry and exit risks

Entry and exits risks occur when the fund's value is negatively affected by the entry or exist of one or more clients, which has negative consequences for existing clients. The extent to which the value of the fund can be negatively affected depends on the liquidity of the financial instruments in the portfolio, and on the concentration of clients. Entry and exit risks are managed by measuring client concentrations in the fund's assets.

Liquidity risk of financial instruments

The actual buying and selling prices of financial instruments in which the fund invests partly depend upon the liquidity of the financial instruments in question. It is possible that a position taken on behalf of the fund cannot be quickly liquidated at a reasonable price due to a lack of liquidity in the market in terms of supply and demand. The fund minimizes this risk by mainly investing in financial instruments that are tradable on a daily basis. Moreover, liquidity risks of financial instruments are contained using limits on the non-liquid portion of the securities portfolio.

Manager

Robeco Institutional Asset Management B.V. ('RIAM') manages the fund. In this capacity RIAM handles asset management, administration, marketing and distribution of the fund. Up to 22 July 2014, RIAM was licensed by the Netherlands Authority for the Financial Markets (the 'AFM') as referred to in Article 2:67, Paragraph 2 and Article 2:96 of the Wft, and as of this same date automatically received an AIFM license (Article 2:65 Wft new). RIAM also has a license within the meaning of Article 2:69b of the Wft and falls under the supervision of the AFM. RIAM has listed the fund with AFM. RIAM is a 100% subsidiary of Robeco Groep N.V. Since 1 July 2013, Robeco Group N.V., has formed part of ORIX Corporation.

Affiliated companies

The fund and the manager may utilize the services of and carry out transactions with parties affiliated to the fund as referred to in the BGfo, including Robeco Securities Lending B.V. (up to 2 July 2014), Robeco Direct N.V. (up to 2 July 2014), Robeco Nederland B.V., up to 1 July 2013 the Rabobank Group and from 1 July 2013 ORIX Corporation. The services entail the execution of tasks that have been outsourced to these companies such as (1) securities lending, (2) hiring temporary staff and (3) issuance and repurchase of the fund's shares. Transactions that can be carried out with affiliated parties include the following: treasury management, derivatives transactions, custody of financial instruments, lending of financial instruments, credit extension, purchase and sale of financial instruments on regulated markets or through multilateral trading facilities. All these services and transactions are executed at market rates.

Accounting principles

General

Unless stated otherwise, items shown in the annual financial statements are included at nominal value and expressed in thousands of euros.

Liquidity of ordinary shares

The fund is an open-end investment company, meaning that, barring exceptional circumstances, it issues and repurchases ordinary shares on a daily basis at prices approximating net asset value, augmented or reduced by a limited surcharge or discount. The only purpose of this surcharge or discount is to cover the costs made by the fund related to the entry and exit of investors. The maximum current surcharge or discount is 0.35%. Any surplus or deficit accrues or is charged to the fund.

Financial investments

Financial investments are classified as trading portfolio and are valued at fair value, unless stated otherwise. The fair value of stocks is determined on the basis of market prices and other market quotations at closing date. For derivatives and futures, the value is based on the market price and other market quotations at closing date. For forward exchange contracts, internal valuation models are used and the value is based on quoted currency rates and reference interest rates at closing date. Transaction costs incurred in the purchase and sale of investments are included in the purchase or selling price, as appropriate, and are reported as part of the changes in value. The transaction date of an investment determines its inclusion in the Balance sheet.

Presentation of derivatives

The market value of derivatives is reported in the Balance sheet. The presentation of the fair value is based on the liabilities and receivables per contract. The receivables are reported under financial investments and the liabilities are reported under accounts payable. The value of the derivatives' underlying instruments is not included in the balance sheet. If applicable these are explained under the note Derivative expsosure.

Foreign currencies

Transactions in currencies other than the euro are converted into euros at the exchange rates valid at the time. Assets and liabilities expressed in other currencies are converted into euros at the exchange rate prevailing at balance-sheet date. Any exchange-rate differences arising are accounted for in the profit and loss account.

Securities lending

Investments for which the legal ownership has been transferred by the Fund for a given period of time as a result of securities-lending transactions, will continue to be included in the Fund's Balance sheet during this period, since their economic advantages and disadvantages, in the form of investment income and changes in value, will be added to or deducted from the Fund's result. The way in which collateral ensuing from securities-lending transactions is reported depends on the nature of this collateral. If the collateral is received in the form of investments these will not be included in the Balance sheet as the economic advantages and disadvantages relating to the collateral will be for the account and risk of the counterparty. If the collateral is received in cash it will be included in the Balance sheet as, in this case, the economic advantages and disadvantages will be for the account and risk of the Fund.

Principles for determining the result

General

Investment results are determined by investment income, rises or declines in stock prices, rises or declines in foreign exchange rates and results of transactions in currencies, including forward transactions and other derivatives. Results are allocated to the period to which they relate and are accounted for in the profit and loss account.

Investment income

Net cash dividends declared during the year under review, the nominal value of stock dividends declared, interest received and paid and proceeds from loan transactions. Accrued interest at balance-sheet date is taken into account.

Changes in value

Realized and unrealized capital gains and losses on securities and currencies are presented under this heading.

Attribution to share classes

The administration of the fund is such that attribution of the results to the different share classes takes place on a daily basis and pro rata. Issue and repurchase of own shares are registered per share class.

Notes to the balance sheet

1 Equities

Movements in the stock portfolio		
EUR x thousand	2014	2013
Book value (fair value) at opening date	3,733,527	4,033,631
Purchases	1,340,876	1,466,861
Sales	−1,936,182	−2,472,122
Realized and unrealized results:		
Price gains	310,917	831,511
Currency gains	234,963	−126,354
Book value (fair value) at closing date	**3,684,101**	**3,733,527**

The section List of securities contains a breakdown of this portfolio and the distribution of the assets is given under the heading Spread of net assets; both are part of the Notes section. Shares equivalent to the value of EUR 74 million (EUR 65 million at the end of last year) were lent at balance-sheet date. To cover the risk of non-restitution, sufficient collateral with a value of EUR 80 million (EUR 70 million at the end of last year) was demanded and obtained; this collateral is not included in the Balance sheet.

2 Derivatives

Movements in derivatives						
EUR x thousand	Forward exchange contracts		Futures		Total	
	2014	2013	2014	2013	2014	2013
Book value (fair value) at opening date	−3,985	−6,996	781	11,347	−3,204	4,351
Purchases	0	0	0	0	0	0
Sales	0	0	−6,115	−35,196	−6,115	−35,196
Expirations	178	64,768	0	0	178	64,768
Realized and unrealized results	2,555	−61,757	−454	24,630	2,101	−37,127
Book value (fair value) at closing date	**−1,252**	**−3,985**	**−5,788**	**781**	**−7,040**	**−3,204**

The presentation of derivatives in the Balance sheet is based on the liabilities and receivables per contract. The exposures are disclosed be found on page 25.

Presentation of derivatives in the Balance sheet				
EUR x thousand	Under financial investments		Under accounts payable	
	2014	2013	2014	2013
Type of derivative				
Forward exchange contracts	5,776	911	7,028	4,896
Futures	–	7,774	5,788	6,993
Total	**5,776**	**8,685**	**12,816**	**11,889**

3 Dividends receivable
These are receivables arising from dividends declared but not yet received.

4 Amounts owed by affiliated companies
This is income receivable from dividends and ensuing from securities-lending transactions.

5 Receivables on collateral provided
This refers to collateral provided to third parties in the form of cash to cover positions in derivatives.

6 Other receivables

This includes:

Other receivables		
EUR x thousand	2014	2013
Dividend tax to be reclaimed	6,769	9,675
Receivables on call money	400	545
Other	215	0
Subtotal (investment activities)	**7,384**	**10,220**
Receivables from issuance of new shares	2,102	2,487
Subtotal (financing activities)	**2,102**	**2,487**
Total	**9,486**	**12,707**

7 Cash and cash equivalents

This relates to balances in current accounts at banks.

8 Debts payable to affiliated companies

These are payables arising from management fees, service fees and debts from securities-lending transactions.

9 Payable to credit institutions

This concerns overdrafts on bank accounts.

10 Other liabilities

This includes:

Other liabilities		
EUR x thousand	2014	2013
Dividends payable	2,690	2,809
Liabilities on call money	0	2,945
Costs payable	299	69
Subtotal (investment activities)	**2,989**	**5,823**
Liabilities from acquisition of own shares	6,159	12,432
Subtotal (financing activities)	**6,159**	**12,432**
Total	**9,148**	**18,255**

11 Shareholders' equity

Composition of and movements in shareholders' equity		
EUR x thousand	2014	2013
Issued capital Robeco		
Situation at opening date	118,491	168,578
Received on shares issued	5,034	5,810
Paid for shares repurchased	–51,949	–55,897
Situation at closing date	**71,576**	**118,491**
Issued capital Robeco – EUR G		
Situation at opening date	14,683	0
Received on shares issued	33,467	14,986
Paid for shares repurchased	–5,549	–303
Situation at closing date	**42,601**	**14,683**
Other reserves		
Situation at opening date	2,909,005	3,297,106

Composition of and movements in shareholders' equity		
EUR x thousand	2014	2013
Received on shares issued	1,078,579	554,562
Paid for shares repurchased	−1,585,780	−1,411,645
Addition of result previous financial year	616,644	468,982
Situation at closing date	**3,018,448**	**2,909,005**
Undistributed profit		
Situation at opening date	716,533	591,738
Dividend distribution Robeco	−63,451	−122,756
Dividend distribution Robeco – EUR G	−36,438	0
Addition to other reserves	−616,644	−468,982
Undistributed result financial year	590,499	716,533
Situation at closing date	**590,499**	**716,533**
Shareholders' equity	**3,723,124**	**3,758,712**

The company's authorized share capital amounts to EUR 600 million, divided into 599,999,990 ordinary shares and 10 priority shares with a nominal value of EUR 1 each. The shares are subdivided into 500,000,000 Robeco shares, and 99,999.990 Robeco - EUR G. Fees are not included in the share premium reserve.

Survey of movements in net assets		
EUR x thousand	2014	2013
Assets at opening date	3,758,712	4,057,422
Company shares issued	1,117,080	575,357
Company shares repurchased	−1,643,278	−1,467,844
Situation at closing date	**3,232,514**	**3,164,935**
Investment income	77,595	95,978
Management costs	−29,629	−38,367
Service fee	−4,023	−4,079
Custody costs	−174	−212
Other costs	−564	−415
	43,205	**52,905**
Changes in value	**547,294**	**663,628**
Net result	**590,499**	**716,533**
Dividend payments	**−99,889**	**−122,756**
Assets at closing date	**3,723,124**	**3,758,712**

12 Assets, shares outstanding and net asset value per share

Assets, shares outstanding and net asset value per share

	Robeco			Robeco - EUR G *	
	31/12/2014	31/12/2013	31/12/2012	31/12/2014	31/12/2013
Assets in EUR x thousand	2,298,845	3,331,543	4,057,422	1,424,279	427,169
Status of number of shares issued as at the beginning of the financial year	118,491,206	168,578,035	183,495,132	14,683,060	0
Shares issued in financial year	5,033,564	5,809,708	7,970,288	33,467,679	14,985,659
Shares repurchased in financial year	–51,949,001	–55,896,537	–22,887,385	–5,549,295	–302,599
Number of shares outstanding	71,575,769	118,491,206	168,578,035	42,601,444	14,683,060
Net asset value per share in EUR x 1	32.12	28.12	24.07	33.43	29.09
Dividend paid per share during financial year	0.80	0.80	0.60	0.80	0.00

* Concerns the period from 25 January through 31 December 2013.

13 Derivative exposures

Forward exchange contracts

Details of the contracts open at balance-sheet date are given in the table below.

Forward exchange contracts

Purchases		Sales		Expiration	Unrealized
				date	result
Currency	Amount	Currency	Amount		EUR x 1
AUD	172,063,522	EUR	115,568,940	12/01/2015	682,436
CAD	176,793,306	EUR	125,563,071	12/01/2015	536,321
EUR	71,777,551	CHF	86,300,310	12/01/2015	709
EUR	11,807,671	DKK	87,836,191	12/01/2015	12,468
EUR	15,603,367	NOK	137,091,748	12/01/2015	499,865
GBP	17,940,000	EUR	22,840,119	12/01/2015	272,692
GBP	5,505,000	EUR	7,007,381	12/01/2015	84,928
JPY	7,899,027,447	EUR	53,104,226	13/01/2015	1,342,978
JPY	700,000,000	EUR	4,724,578	13/01/2015	100,451
JPY	782,000,000	EUR	5,320,917	08/01/2015	69,211
SGD	38,433,350	EUR	23,637,430	12/01/2015	329,032
USD	9,505,000	EUR	7,746,410	12/01/2015	108,350
USD	20,535,000	EUR	16,620,653	12/01/2015	349,101
USD	96,260,000	EUR	78,159,635	12/01/2015	1,387,894
Total					**5,776,436**
EUR	15,700,000	AUD	23,851,004	12/01/2015	–414,470
EUR	15,300,000	CAD	22,132,062	12/01/2015	–485,894
EUR	87,752,290	GBP	69,328,697	12/01/2015	–1,566,617
EUR	13,600,000	GBP	10,770,878	12/01/2015	–276,549
EUR	10,391,628	HKD	98,873,300	12/01/2015	–144,468
EUR	32,777,667	HKD	312,025,000	12/01/2015	–472,216
EUR	11,100,000	JPY	1,615,178,760	13/01/2015	–33,263
EUR	5,646,657	JPY	829,400,000	13/01/2015	–70,313
EUR	65,771,626	USD	80,606,357	12/01/2015	–840,011
EUR	5,843,424	USD	7,235,000	12/01/2015	–135,450
EUR	26,200,000	USD	32,441,259	12/01/2015	–608,873

Forward exchange contracts					
Purchases		Sales		Expiration date	Unrealized result EUR x 1
Currency	Amount	Currency	Amount		
EUR	49,800,000	USD	61,764,550	12/01/2015	–1,241,114
SEK	370,406,849	EUR	39,841,417	12/01/2015	–738,633
Total					**–7,027,871**

Futures

Details of the futures contracts purchased at closing date are listed below.

Futures					
Purchases/ Sale	Quantity of contracts	Currency	Type	Exposure EUR x 1	Unrealized result EUR x 1
V	1,081	GBP	FTSE 100 IDX FUT IFLL 20-MAR-2015	–90,855,261	–3,377,637
A	1,499	JPY	TOPIX INDX FUTR XOSE 12-MAR-2015	144,497,289	–1,725,395
V	190	USD	S&P500 EMINI FUT XCME 20-MAR-2015	–16,114,004	–685,385
Total					**–5,788,417**

Forward exchange contracts and futures contracts are included in the Spread of net assets, which is part of the Notes section. The unrealized profit or loss on derivatives have been included in the profit and loss account.

Notes to the profit and loss account

Income

14 Investment income

This includes:

Investment income

EUR x thousand	2014	2013
Net dividend received	75,790	95,758
Interest	–118	–30
Revenues from securities lending	204	76
Other income	1,719	174
Total	**77,595**	**95,978**

Costs

15 Ongoing charges

Ongoing charges

	Robeco			Robeco - EUR G		
in %	2014	Prospectus	2013	2014	Prospectus	2013[2]
Cost item						
Management costs	1.00	1.00	1.00	0.50	0.50	0.50
Service fee	0.12	0.12	0.11	0.12	0.12	0.12
Other costs	0.01	[1]	0.02	0.01	[1]	0.02
Net result	**1.13**	**1.46**[3]	**1.13**	**0.63**	**0.96**[3]	**0.64**

[1] The prospectus does not mention a percentage for the other costs. However, a maximum percentage of 0.02% is given as the custody fee, and 0.02% for the fund agent's fee. These costs are included in the other costs.
[2] Concerns the period from 25 January through 31 December 2013. These percentages are annualized.
[3] This concerns the maximum total consisting of management fee, service fee, broker's commission, fund agent's fee and custody costs.

The percentage of ongoing charges is based on the average total assets per share class. The ongoing charges include all costs charged to the share classes in the reporting period, excluding the costs of transactions in financial instruments and interest charges. Costs relating to issuance and repurchasing of own shares are not included in the ongoing charges either. That part of the securities-lending income due to RIAM (up to 2 July 2014 Robeco Securities Lending B.V.), as specified in Note 22, is included in the ongoing charges. The management costs cover all costs resulting from the management and marketing of the fund. If the manager outsources its operations to third parties, any costs associated with this will be paid from the management fee. The management costs for the Robeco share class also include the costs related to registering participants in this share class. The service fee covers the administration, the costs of the external auditor, other external advisers, regulators, costs relating to reports required by law, such as the annual and semiannual reports, and the costs relating to the meetings of shareholders. The costs for the external auditor incurred by the fund are paid by RIAM from the service fee. Therefore there are no costs for the external auditor included in the fund's results. Other costs relate to bank charges and the custody fee charged by third parties for the custody of the fund’s securities portfolio. The custody fee is EUR 175 thousand (last year EUR 212 thousand).

16 Management costs and service fee

The management fee and service fee are charged by the manager. Management costs only relate to management fees. The fees are calculated daily on the basis of the fund assets.

Management costs and service fee

In %	Robeco	Robeco – EUR G.
Management costs	1.00	0.50
Service fee[1]	0.12	0.12

[1] For the share classes, the service fee is 0.12% per year on assets up to EUR 1 billion, 0.10% on assets above EUR 1 billion,and 0.08% on assets above EUR 5 billion.

17 Performance fee

Robeco N.V. is not subject to a performance fee.

18 Other costs

This includes:

Other costs		
EUR x thousand	2014	2013
Custody fee	175	212
Bank charges	62	29
Costs relating to the placement and repurchase of own shares	493	381
Other costs	8	5
Total	**738**	**627**

19 Transaction costs

Brokerage costs and exchange fees relating to investment transactions are discounted in the cost price or the sales value of the investment transactions. These costs and fees are charged to the result ensuing from changes in value. The quantifiable transaction costs are shown below.

Transaction costs		
EUR x thousand	**2014**	**2013**
Transaction type		
Equities	2,855	3,459
Futures	173	282

Robeco wants to be certain that the selection of counterparties for order execution (brokers) occurs using procedures and criteria that ensure the best results for the fund.

The costs charged by brokers are not necessarily just for the order they have executed, but may also relate to research supplied by the brokers. Robeco only pays for research if this leads to an improvement in the investment decisions made at Robeco. The costs for research can be paid for by the fund through full service fees or commission sharing agreements (CSA).

The breakdown of the transaction costs over the reporting period is as follows.

Break down of equity transaction costs	
EUR x thousand	
Type of Transaction	
Order execution	1,132
Stamp duty	864
Research paid for via full service	701
Research paid for via CSA	158
Total transaction costs	**2,855**

20 Turnover ratio

The turnover ratio for the reporting period was 14% (for the previous reporting period it was 52%). This ratio shows the rate at which the fund's portfolio is turned over and is a measure of the incurred transaction costs resulting from the portfolio policy pursued and the ensuing investment transactions. The turnover ratio is determined by expressing the amount of the turnover as a percentage of the average fund assets. The average assets of the fund are calculated on a daily basis. The amount of the turnover is determined by the sum of the purchases and sales of investments less the sum of issuance and repurchase of own shares.

21 Transactions with affiliated parties

Part of the transaction volume over the reporting period relates to transactions with affiliated parties. The table below shows the various types of transactions where this was the case.

Transactions with affiliated parties		
Part of the total volume in %	**2014**	**2013**
Transaction type		
Equities	–	0.1
Forward exchange contracts	–	16.1
Deposits	–	–

22 Securities lending

RIAM (Robeco Securities Lending B.V. (RSL) up to 2 July 2014) is the intermediary for all of the fund's securities-lending transactions. As compensation for its services RSL or now RIAM receives a fee of 30% of the gross return on these securities-lending transactions. An external agency periodically assesses whether the agreements between the fund and RSL or RIAM are still in line with the market. The proceeds for the fund over the reporting period were EUR 185 thousand (last year EUR 200 thousand) and for RSL/RIAM EUR 79 thousand (last year EUR 85 thousand).
RSL was a 100% subsidiary of RIAM up to 2 July 2014. On 2 July 2014, Robeco Institutional Asset Management B.V. (RIAM) was merged with Robeco Securities Lending B.V. (RSL) and Robeco Direct N.V. (RD).

23 Personnel costs

The fund does not employ any personnel. Robeco Nederland B.V. is the employer of the staff who work for the (board of) the fund in the Netherlands. The remuneration of these people is paid out of the management fee. Robeco Nederland B.V.'s remuneration policy for fund managers consists of both fixed and variable income. The secondary conditions of employment are in line with what is common practice in the financial-services industry. The variable income offers the fund manager remuneration for his long-term outperformance. The system is related to the outperformance relative to a preset target. The track record over a one-year, three-year and five-year period is taken into account when determining the variable remuneration. In fixing the bonus, the extent to which team and individual qualitative objectives have been achieved and the extent to which the Robeco corporate values are observed are also important. The fund manager's contribution to the organization's targets is also taken into consideration. Good performance means that variable remuneration may be higher than the fixed threshold. If this is the case, variable remuneration will be paid out in phases, spread over four or five years. The deferred amounts will move in line with future operating results. In accordance with the Banking Code and the Regulations for Controlled Remuneration Policies (Regeling Beheerst Beloningsbeleid), variable remuneration is to be approved by the Robeco Supervisory Board. The manager of the fund has held an AIFMD (Alternative Investment Fund Managers Directive) licence since 22 July 2014. The revision of the remuneration policy conform the AIFMD requirements was fully implemented effective 1 January 2015. In the annual report for 2015, for the first time quantitative information will be provided covering the whole financial year.
As a result of the various amendments to RIAM licenses during 2014 and also the mergers of various entities with RIAM, there are no quantitative figures included in this annual report, given that the inclusion of such figures would not give a realistic picture.
As a result of this, we follow the market-wide policy also accepted by the regulators to only provide quantitative information on the complete financial year following the date on which the AIFMD license was obtained (22 July 2014).

Spread of net assets

Across countries and currencies

By country [2]		Equities		Across countries Equities + derivatives [1]		Currencies [1]	
	31/12/2014	31 /12/2014	31/12/2013	31/12/2014	31/12/2013	31/12/2014	31/12/2013
	EUR x thousand	in %	in %	in %	in %	in %	in %
America (60.0%)							
United States	2,203,144	59.2	55.8	58.7	56.4	58.6	54.7
Canada	31,151	0.8	0.4	0.8	0.4	3.8	4.0
Europe (30.9%)							
United Kingdom	419,127	11.3	11.9	8.8	8.8	8.1	9.6
Switzerland	207,678	5.6	5.7	5.6	5.3	3.7	3.6
France	164,813	4.4	4.7	4.4	4.4	0.0	0.0
Germany	114,132	3.0	4.4	3.1	4.0	0.0	0.0
The Netherlands	110,252	3.0	4.1	3.0	4.1	0.0	0.0
Spain	36,747	1.0	0.9	1.0	0.7	0.0	0.0
Denmark	28,673	0.8	0.0	0.8	0.0	0.5	0.5
Norway	24,820	0.7	1.6	0.7	1.6	0.3	0.0
Italy	24,777	0.7	0.0	0.7	0.0	0.0	0.0
Ireland	19,898	0.5	0.4	0.5	0.4	0.0	0.0
Sweden	0	0.0	1.0	0.0	1.0	1.1	1.3
Eur	0	0.0	0.0	0.0	0.0	11.4	12.2
Asia (8.0%)							
Japan	245,856	6.6	6.4	10.5	10.6	8.1	8.4
Hong Kong	33,719	0.9	0.8	0.9	0.8	1.1	1.3
China	19,314	0.5	0.4	0.5	0.4	0.0	0.0
South Korea	0	0.0	0.8	0.0	0.8	0.0	0.8
Singapore	0	0.0	0.0	0.0	0.0	0.6	0.6
Australia (0.0%)							
Australia	0	0.0	0.0	0.0	0.0	2.7	3.0
Other assets and liabilities (1.0%)	39,023	1.0	0.7	0.0	0.3	0.0	0.0
Total	**3,723,124**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

[1] In addition to investments in equities, the portfolio may include positions in derivatives. The sum of equity and derivative investments reflects both the exposure on a country basis and the total exposure. At 31 December 2014 the portfolio contained derivatives, in this case index futures, as was also the case at 31 December 2013. These derivatives have been included in this spread of net assets across countries, and the forward exchange transactions in the spread across currencies. The positions in index futures are in Japan, the US and the UK.

[2] The percentages given after the regions include positions in derivatives.

By sector

in %	31/12/2014	31/12/2013
Financials	18.8	20.3
Information technology	17.5	13.7
Pharmaceutical and health care	12.7	11.8
Consumer discretionary	12.3	12.2
Consumer staples	10.7	10.4
Industrials	10.1	10.2
Energy	6.3	9.5
Materials	5.4	5.4
Telecom services	3.5	4.0
Utilities	1.7	1.8
Other assets and liabilities	1.0	0.7
Total	**100.0**	**100.0**

Currency table

Exchange rates

	31/12/2014	31/12/2013
EUR 1		
AUD	1.4787	1.5402
CAD	1.4016	1.4641
CHF	1.2024	1.2255
DKK	7.4464	7.4604
GBP	0.7761	0.8320
HKD	9.3838	10.6843
ILS	4.7089	4.7829
JPY	145.0790	144.8300
KRW	1,330.0265	1,454.2196
NOK	9.0724	8.3599
SEK	9.4726	8.8500
SGD	1.6035	1.7398
TWD	38.24	41.0677
USD	1.2101	1.3780

List of securities

As of 31 December 2014

Market value	*Market value*	
		America (60.0%)
EUR	USD	**United States (59.2%)**
52,453,617	63,471,499	AbbVie Inc
25,605,418	30,983,836	AES Corp/VA
26,060,723	31,534,778	Allegion PLC
35,274,936	42,684,437	American International Group Inc
106,667,098	129,072,522	Apple Inc
26,371,633	31,910,995	Aramark
31,883,578	38,580,724	BlackRock Inc
24,783,918	29,989,780	Cameron International Corp
48,474,495	58,656,563	Capital One Financial Corp
36,065,871	43,641,508	Cardinal Health Inc
13,631,914	16,495,298	Carlyle Group LP/The
43,766,329	52,959,446	Celgene Corp
28,460,018	34,438,045	Cerner Corp
33,569,821	40,621,161	Check Point Software Technologies Ltd
28,024,162	33,910,637	Chubb Corp/The
42,570,340	51,512,240	Cisco Systems Inc
63,259,220	76,546,820	Citigroup Inc
56,963,706	68,928,932	Comcast Corp
26,614,552	32,204,939	Crown Holdings Inc
46,399,683	56,145,937	CVS Health Corp
35,077,938	42,446,059	DaVita HealthCare Partners Inc
36,122,000	43,709,427	Dollar General Corp
20,526,213	24,837,745	Emerson Electric Co
53,106,406	64,261,407	Facebook Inc
63,171,366	76,440,512	Google Inc
43,018,288	52,054,279	HCA Holdings Inc
22,069,255	26,704,902	Hess Corp
35,428,749	42,870,558	Hewlett-Packard Co
27,668,015	33,479,682	Ingersoll-Rand PLC
62,938,812	76,159,109	JPMorgan Chase & Co
20,201,508	24,444,835	Lululemon Athletica Inc
20,340,649	24,613,203	McGraw Hill Financial Inc
24,875,400	30,100,478	MEDNAX Inc
39,476,603	47,768,664	MetLife Inc
26,420,578	31,970,220	Michael Kors Holdings Ltd
69,627,400	84,252,636	Microsoft Corp
40,305,755	48,771,979	Mondelez International Inc
11,958,902	14,470,870	Nabors Industries Ltd
39,330,243	47,591,560	NextEra Energy Inc
38,269,430	46,307,923	Norfolk Southern Corp
27,374,820	33,124,901	NXP Semiconductors NV
37,416,467	45,275,796	Oracle Corp
29,394,803	35,569,181	Parker-Hannifin Corp
40,891,773	49,481,090	Pfizer Inc
35,789,401	43,306,965	Philip Morris International Inc
22,890,798	27,699,010	Ralph Lauren Corp
26,267,110	31,784,516	SanDisk Corp
26,288,296	31,810,153	Sealed Air Corp
28,343,620	34,297,197	Stanley Black & Decker Inc
30,687,755	37,133,719	State Street Corp
20,732,968	25,087,928	Synopsys Inc
16,550,658	20,027,124	Terex Corp
19,142,280	23,163,116	TripAdvisor Inc
40,549,212	49,066,574	Twenty-First Century Fox Inc
36,647,560	44,345,380	United Technologies Corp
45,898,060	55,538,947	UnitedHealth Group Inc
29,442,056	35,626,360	VMware Inc
43,828,844	53,035,092	Walt Disney Co/The
23,111,144	27,965,640	Weatherford International plc
28,985,460	35,073,856	Western Digital Corp
39,000,123	47,192,099	Yahoo! Inc
27,076,142	32,763,486	Yum! Brands Inc
EUR	CAD	**Canada (0.8%)**
31,151,104	43,659,830	Bank of Nova Scotia/The
		Europe (30.9%)
EUR	GBP	**United Kingdom (11.3%)**
35,485,293	27,538,362	AstraZeneca PLC
38,418,740	29,814,863	BG Group PLC
52,118,092	40,446,245	British American Tobacco PLC
27,751,982	21,536,926	Burberry Group PLC
895,410	694,883	Indivior PLC
28,754,131	22,314,644	Kingfisher PLC
31,225,493	24,232,544	Reckitt Benckiser Group PLC
47,324,232	36,725,970	Rio Tinto PLC
24,338,284	18,887,725	Royal Bank of Scotland Group PLC
36,804,477	28,562,114	SABMiller PLC
44,215,909	34,313,756	Vodafone Group PLC
EUR	HKD	
51,795,071	486,032,000	HSBC Holdings PLC
EUR	CHF	**Switzerland (5.5%)**
35,503,209	42,687,283	ABB Ltd
25,944,346	31,194,184	Actelion Ltd
60,973,483	73,311,467	Nestle SA
59,853,218	71,964,517	Roche Holding AG
25,403,319	30,543,680	Syngenta AG
EUR	EUR	**France (4.4%)**
35,227,309	35,227,309	AXA SA
30,217,808	30,217,808	BNP Paribas SA
27,427,883	27,427,883	Pernod Ricard SA
21,208,559	21,208,559	Societe Generale SA
50,731,888	50,731,888	Total SA
EUR	EUR	**Germany (3.0%)**
27,374,913	27,374,913	Bayerische Motoren Werke AG
20,417,731	20,417,731	Deutsche Post AG

Market value	Market value	
3,372,948	3,372,948	KUKA AG
27,355,080	27,355,080	Linde AG
35,611,219	35,611,219	Siemens AG
EUR	EUR	**Netherlands (3.0%)**
25,431,202	25,431,202	Akzo Nobel NV
22,825,828	22,825,828	Koninklijke DSM NV
61,994,773	61,994,773	Royal Dutch Shell PLC
EUR	EUR	**Spain (1.0%)**
9,479,016	9,479,016	Applus Services SA
26,996,884	26,996,884	Banco Bilbao Vizcaya Argentaria SA
271,550	271,550	Banco Bilbao Vizcaya Argentaria SA
EUR	DKK	**Denmark (0.8%)**
28,672,598	213,506,200	AP Moeller - Maersk A/S
EUR	NOK	**Norway (0.7%)**
24,819,990	225,176,874	Telenor ASA
EUR	EUR	**Italy (0.7%)**
24,776,997	24,776,997	Telecom Italia SpA

Market value	Market value	
EUR	EUR	**Ireland (0.5%)**
19,898,345	19,898,345	Ryanair Holdings PLC
		Asia (8.0%)
EUR	JPY	**Japan (6.6%)**
34,560,250	5,013,964,800	Japan Tobacco Inc
36,916,645	5,355,828,100	KDDI Corp
17,280,246	2,507,000,000	Omron Corp
32,103,472	4,657,538,040	Resona Holdings Inc
38,394,612	5,570,250,000	Sumitomo Mitsui Financial Group Inc
53,424,215	7,750,729,000	Toyota Motor Corp
33,176,728	4,813,244,800	Unicharm Corp
EUR	HKD	**Hong Kong (0.9%)**
33,718,963	316,410,320	AIA Group Ltd
EUR	USD	**China (0.5%)**
19,313,536	23,370,345	Baidu Inc ADR
3,684,100,873		**Total**

Rotterdam, 10 March 2015

The Management Board
Robeco Institutional Asset Management B.V.

Leni M.T. Boeren
Hester W.D.G. Borrie
Hans A.A. Rademaker

Other data

Profit appropriation

According to Article 20 of the fund's Articles of Association, the profit, after payment of dividend on the priority shares and less allocations to the reserves deemed desirable by the management board shall be at the disposal of the General Meeting of Shareholders.

Proposed profit appropriation

The Management Board proposes a dividend for the 2014 financial year of:

- EUR 0.80 per share (last year also EUR 0.80) for the Robeco share class.
- EUR 0.80 per share (last year also EUR 0.80) for the Robeco EUR - G share class.

If this proposal is accepted, the dividend will be payable on 27 May 2015. Robeco and Robeco EUR - G will be quoted ex dividend from 4 May 2015.

Shareholders will be offered the opportunity to reinvest the dividend (less dividend tax) in Robeco and Robeco - EUR G shares. The price used to calculate this is the transaction price of the shares on the stock market of Euronext Amsterdam, Euronext Fund Service segment, on 22 May 2015. Costs that distributors charge to their customers for this will be borne by the shareholder. In some countries and with some distributors, reinvestment will not be possible for technical reasons.

Special controlling rights in accordance with the Articles of Association

The ten priority shares in the company's share capital are held by Robeco Groep N.V. According to the company's Articles of Association, the rights and privileges of the priority shares include the appointment of managing directors and the amendment to the Articles of Association. The Management Board of Robeco Groep N.V. determines how the voting rights are exercised:
Roderick M.S.M. Munsters, chairman
Leni M.T. Boeren
Hester W.D.G. Borrie
Hans A.A. Rademaker
Jurgen B.J. Stegmann

Directors' interests

On 1 January 2014 and 31 December 2014, the directors held no personal interests in the fund's investments.

Statement of the independent auditor

To: The General Meeting of Shareholders of Robeco N.V.

Report on the Financial Statements for 2014

Our opinion
We have audited the 2014 financial statements of Robeco N.V., Rotterdam.

In our opinion, the financial statements give a true and fair view of the financial position of Robeco N.V. as at 31 December 2014, and of its result for the financial year ending on 31 December 2014 in accordance with Part 9 of Book 2 of the Dutch Civil Code and the Financial Supervision Act (*Wet op het financieel toezicht* [Wft]).

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for 2014;
- the explanatory notes that provide an overview of the principles of financial reporting applied, and other items of information.

The basis for our opinion
We conducted our audit pursuant to Dutch law, which also covers the Dutch control standards. Our responsibilities on this basis are described in the section "Our responsibilities for auditing the financial statements".

As required by the Dutch regulations regarding the independence of accountants for audit assignments (*Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten* [ViO]) and other independence-related rules in the Netherlands relevant to this order, our status is that of an entity independent of Robeco N.V. We further comply with the Dutch rules of professional conduct and practice for auditors (*Verordening gedrags- en beroepsregels accountants* [VGBA]).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Materiality
Misstatements may result from fraud or error and are material if it can reasonably be expected that these, either individually or jointly, can have an effect on the economic decisions made by the users of these financial statements. Materiality affects the nature, timing and extent of our auditing activities and the evaluation of the effect of recognized misstatements on our opinion.

Based on our professional judgment, we have set materiality for the full financial statements at EUR 37,231,000. Shareholders ‘equity was used as a benchmark to determine materiality (1%). In light of the fact that investors are primarily interested in a fund's asset growth (returns), we consider the capital invested by shareholders to be the most relevant starting point in determining materiality for an investment fund. As a result of value changes in investments, returns are inherently volatile and thus form a less suitable benchmark for materiality. We also take into account actual and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons. We informed the Supervisory Board of Robeco Groep N.V. that we would report to them on any material misstatements in excess of 5% (EUR 1,862,000) noted during our audit, as well as smaller misstatements that in our opinion are relevant for qualitative reasons.

Key items for our audit
In the key items for our audit, we define those issues that we professionally judge to be most significant in our audit of the financial statements. The key items for our audit were communicated to the Supervisory Board, without being fully representative of all points discussed.

We determined our audit activities relating to these key items within the context of the full audit of the financial statements. Our findings relating to the individual key items must be seen in this context and not as separate opinions on such key items.

Valuation of investments
The investments made by Robeco N.V. amount to more than 98% of the balance-sheet total.

These investments are valued at their fair value, determined on the basis of prices observed in the market and an estimate by management of the liquidity of the investments. Insofar as the investments are traded regularly, this relates to the closing price on the stock exchange where the investment is traded. Insofar as this concerns investments that are not traded regularly, the Management Board estimates a market value. This results in a certain degree of estimation uncertainty. We therefore consider the correct valuation of these investments to be one of our key auditing items.

Our auditing activities included establishing that the price used for the investments was obtained in accordance with the method identified for the asset class concerned. As a result of Robeco N.V.'s policy to invest primarily in listed equities, the closing price on the stock exchange can almost always be expected to form the basis for the valuation. We established this i.a. by evaluating the valuations of investments applied, using prices and liquidity observed in the market. We enlisted the services of dedicated valuation specialists for this. In this context we established that all the equity investments per 31 December 2014 can be valued at the closing price on the stock exchange, and verified this via an external information source.

Our evaluation is that the valuation of the investments performed by the Management Board resulted in an acceptable valuation of the investments in the financial statements.

Internal control by the company
Robeco N.V. has no employees, and its portfolio management, risk management and financial and investment administration are therefore performed by the Management Board of Robeco Institutional Asset Management B.V. (RIAM). Since Robeco N.V. is therefore dependent on RIAM for generating financial information and drafting financial statements, we consider this to be one of the key items of our audit.

For our audit we rely on the activities that an independent auditor performs for RIAM on the administrative organization relevant to Robeco N.V. and RIAM's internal control measures, and the ISAE 3402 type II report drafted specifically for this purpose. Our audit activities included determining the minimum expected control measures and subsequently evaluating the internal control measures described in the controlling auditor's report. We also evaluate the activities carried out by the controlling auditor to test the effective functioning and the results.

Our activities revealed that the internal control measures within the processes applied by RIAM relevant to Robeco N.V. were sufficiently effective to be used in performing our audit of Robeco N.V.'s financial statements.

Responsibility of the Management Board and Supervisory Board for the Financial Statements
The Management Board is responsible for the preparation and fair presentation of the financial statements and for the preparation of the annual report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code and the Financial Supervision Act. Within this context, the Management Board is also responsible for such internal control as it deems necessary to enable the preparation of annual financial statements that are free from material misstatement due to fraud or error.

When drafting the financial statements, the Management Board must assess whether the company is able to maintain continuity in its activities. Pursuant to the reporting system referred to, the Management Board must draft the financial statements on the basis of its assumed continuity, unless it plans to liquidate the company or terminate its business activities, or if termination is the only realistic alternative. In the financial statements, the Management Board must disclose any event or circumstance that could elicit reasonable doubt about the company's ability to maintain continuity in its business activities.

The Supervisory Board is responsible for supervising the process used by the company for its financial reporting.

Our responsibilities for auditing the financial statements
Our responsibility is to plan and perform an audit assignment in such a way that we obtain sufficient and suitable auditing information to give the required opinion.

Our audit is performed with a high but not absolute degree of assurance, so that it is possible that not all errors or instances of fraud will be detected during our audit.

We have performed this audit professionally and critically and, where relevant, applied our professional judgment in accordance with the Dutch auditing standards, ethical specifications and the requirements of independent auditing. Our audit included the following:

- Identifying and assessing the risks of material misstatement in the financial statements due to error or fraud; determining and performing auditing activities in response to these risks; and obtaining audit information that is adequate and suitable to be used as a basis for our opinion. In the case of fraud, there is a greater risk of a material misstatement not being discovered than in the case of errors. Fraud could involve conspiracy, forgery, intentional non-reporting of transactions, intentional misrepresentation or violation of internal control systems.
- Obtaining insight into internal control systems that are relevant to the audit with the aim of selecting audit activities that fit the circumstances. The aim of these activities is not to judge the effectiveness of the entity's internal control.
- Evaluating the suitability of the principles used for financial reporting, and evaluating the fairness of estimates by the Management Board and the information provided on this in the financial statements.
- Establishing that the Management Board's continuity assumption is acceptable. In addition, using the audit information obtained to establish whether there are events or circumstances that could elicit reasonable doubt as to whether the company can maintain continuity in its business activities. If we conclude that there is material uncertainty, we are obliged in our audit statement to highlight the relevant associated information in the financial statements. If this offers insufficient explanation, we will be obliged to adjust our statement. Our conclusions are based on the audit information obtained up to the date of our audit statement. However, future events or circumstances can lead to a situation in which a company may no longer be able to maintain its continuity.
- Evaluating the presentation, structure and content of the financial statements and the information provided therein; and
- evaluating whether the financial statements provide an accurate picture of the underlying transactions and events.

We communicate with the Supervisory Board i.a. about the planned scope and timing of the audit, and about significant findings emerging from our audit, including any significant shortcomings in internal control. We confirm to the Supervisory Board that we have observed the relevant ethical standards for auditor independence. We also communicate to the Supervisory Board about any relationships and other matters that could reasonably affect our independence and about any measures in this connection to guarantee our independence.

We determine the key items for our audit of the financial statements on the basis of any matters discussed with the Supervisory Board. We describe these key items in our audit statements, unless statutory and regulatory requirements prohibit this or, in exceptionally rare cases, when non-reporting is in the interest of the public at large.

Statement regarding other statutory and regulatory requirements

Statement regarding the financial statements and other data

On the basis of the statutory requirements pursuant to Part 9 Book 2 of the Dutch Civil Code (relating to our responsibility to report on the financial statements and other data) we declare that:

- our examination to establish whether the financial statements were drafted in accordance with Part 9, Book 2 of the Dutch Civil Code, and whether the other data as required by Part 9 Book 2 of the Dutch Civil Code were added has, to the extent of our competence, brought no shortcomings to light;
- the report of the Management Board is, to the extent of our competence, in accordance with the financial statements.

Appointment

On the basis of the resolution at the General Meeting of Shareholders of 24 April 2014, we have for the first time been appointed external auditor to Robeco N.V. to perform auditing for the financial year 2014.

Utrecht, 27 March 2015
KPMG Accountants N.V.

W.L.L. Paulissen RA