

RobecoSAM Circular Economy Equities G EUR

RobecoSAM Circular Economy Equities is an actively managed fund that invests globally in companies aligned with circular economy principles. The selection of these stocks is based on fundamental analysis. The fund has sustainable investment as its objective, within the meaning of Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on Sustainability-related disclosures in the financial sector to finance solutions supporting the paradigm shift to a circular economy. The strategy integrates sustainability criteria as part of the stock selection process and through a theme-specific sustainability assessment. The portfolio is built on the basis of an eligible investment universe that includes companies whose business models contribute to the thematic investment objectives and relevant SDGs using an internally developed framework, more information on which can be obtained at www.robeco.com/si. The fund also has the aim to achieve a better return than the index.



Natalie Falkman
Fund manager since 01-04-2022

Performance

	Fund	Index
1 m	3.32%	3.42%
3 m	9.74%	11.37%
Ytd	9.74%	11.37%
1 Year	18.90%	25.86%
2 Years	8.47%	9.47%
3 Years	6.25%	11.71%
Since 07-2020	12.64%	15.84%

Annualized (for periods longer than one year)

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

Calendar year performance

	Fund	Index
2023	16.94%	19.60%
2022	-19.42%	-12.78%
2021	28.91%	31.07%
2021-2023	6.70%	10.99%

Annualized (years)

Index

MSCI World Index TRN

General facts

Morningstar	★★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 245,866,679
Size of share class	EUR 198,735
Outstanding shares	1,296
1st quotation date	28-07-2020
Close financial year	31-12
Ongoing charges	0.96%
Daily tradable	Yes
Dividend paid	Yes
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

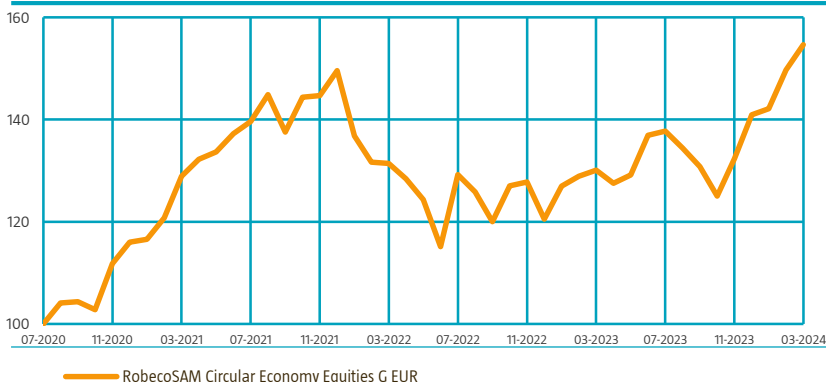
- Exclusions+
- ESG Integration
- Voting
- Target Universe



For more information on exclusions see <https://www.robeco.com/exclusions/>
For more information on target universe methodology see <https://www.robeco.com/si>

Performance

Indexed value (until 31-03-2024) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 3.32%.

In March, the fund performed in line with the broader MSCI World Index. This means that the fund ended Q1 being up double-digit, however, still behind the strong performance of the MSCI World Index. The performance in both March and Q1 was supported by a broad number of holdings in a broad array of sectors and niches. Some of the top performance contributors were a mixture of industrial companies (nVent, Xylem), consumer stocks (Sprouts Farmers Market, Cavco), and companies in technology (NVIDIA) and healthcare (EssilorLuxottica). There was also a good mixture of large caps, mid-caps and small caps among the top performers. The circular economy theme's broadness is clearly visible in the composition of the fund's top-performing stocks this quarter. The fund's outperformance was largely in line with the internal thematic benchmark in March. The stock selection component was a positive. Industrials and the consumer discretionary sectors were the main performance contributors. nVent and Clean Harbors, Cavco and Compass Group were large individual contributors from those two respective sectors.

Market development

In March, the broader MSCI World Index was up, finishing the first quarter of 2024 up double-digit. This clearly signals that the market has been able to digest the less optimistic interest rate cuts trajectory compared to what was penciled in at the beginning of the year. The labor markets and consumer sentiment have stayed resilient. While the Q1 company earnings have overall showed the cycle holding up well, the structural tailwinds continue to support growth in many areas. The Fed's comments and actions as well as the inflation numbers continue to play a role in the market's shorter term sentiment. However, it feels like investors' focus is now shifting toward growth. AI continues to be a large area of corporate investments. However, what was confirmed by the Q1 earnings is that AI is still in its very early innings. Today, the majority of the overall AI investments are still focused on building out the physical infrastructure that will enable future use of AI.

Expectation of fund manager

March was a lot about investors accepting and digesting the fact that the incoming inflation and growth numbers would not allow the Fed to be aggressive in its rate cut cycle. With the market up in March, and up double-digit in Q1, there is evidence that investors managed to do that, shifting their focus toward economic resilience and awaiting growth acceleration in H2. For many sectors, the base effect will indeed provide some tailwind for underlying growth, while the end of destocking should also be supportive for growth. However, against the background of strong market performance in the past months and as the green shoots are scarce when it comes to accelerated volume growth, there is some justified nervousness. Away from the stock market and summarizing the latest quarterly earnings reports, there is also nervousness in the corporate world, evidenced by cautiousness and a greater scrutiny toward new investments. A more positive tone from and a greater certainty around the outcome of the upcoming US presidential election could help. Likewise, a start of the rate cut cycle against the background of continued resilient labor markets would also be welcome.

Top 10 largest positions

The fund has a relatively even positioning structure among high-conviction holdings. This allows for exposure to attractive areas through a number of companies rather than through a few large positions, which in turn reduces stock-specific risks. This portfolio structure means the top ten holdings fluctuate from month to month. At the end of March, the fund had three holdings with weights above 3%, which can be compared to all holdings being below 3% at the end of last year. The three holdings are NVIDIA, EssilorLuxottica and nVent. Strong structural tailwinds for NVIDIA (demand for the AI-chips) and nVent (demand for electric grid modernization) merit these companies' weights. Through diligent synergy work after the acquisition of Grand Vision, EssilorLuxottica has reduced the number of sceptics toward its strong global position in eye care. Some of the holdings that the fund exited in March were Accenture (due to valuations as the euphoric AI narrative led to overly optimistic stock sentiment), CVS Health, and Epiroc. Examples of new holdings in the fund are Japanese Meitec (provides access to skilled labor in the technology sector in Japan) and Smurfit Kappa.

Fund price

31-03-24	EUR	153.87
High Ytd (28-03-24)	EUR	153.87
Low Ytd (05-01-24)	EUR	136.31

Fees

Management fee	0.75%
Performance fee	None
Service fee	0.16%

Legal status

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

Registered in

Austria, France, Germany, Luxembourg, Singapore, Spain, Switzerland, United Kingdom

Currency policy

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

Risk management

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

Dividend policy

The fund distributes a dividend on an annual basis.

Fund codes

ISIN	LU2207421301
Bloomberg	ROCEEGE LX
WKN	A2QAJK
Valoren	56335908

Top 10 largest positions

Holdings	Sector	%
NVIDIA Corp	Semiconductors & Semiconductor Equipment	4.71
EssilorLuxottica SA	Health Care Equipment & Supplies	3.15
nVent Electric PLC	Electrical Equipment	3.12
Compass Group PLC	Hotels, Restaurants & Leisure	3.06
Xylem Inc/NY	Machinery	3.03
Tetra Tech Inc	Commercial Services & Supplies	2.85
RELX PLC	Professional Services	2.81
Cavco Industries Inc	Household Durables	2.77
AECOM	Construction & Engineering	2.62
Sensient Technologies Corp	Chemicals	2.61
Total		30.72

Top 10/20/30 weights

TOP 10	30.72%
TOP 20	55.62%
TOP 30	73.59%

Statistics

	3 Years
Tracking error ex-post (%)	5.82
Information ratio	-0.76
Sharpe ratio	0.38
Alpha (%)	-4.10
Beta	1.03
Standard deviation	15.58
Max. monthly gain (%)	12.29
Max. monthly loss (%)	-8.47

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years
Months outperformance	16
Hit ratio (%)	44.4
Months Bull market	22
Months outperformance Bull	10
Hit ratio Bull (%)	45.5
Months Bear market	14
Months Outperformance Bear	6
Hit ratio Bear (%)	42.9

Above mentioned ratios are based on gross of fees returns.

Asset Allocation

Asset allocation		
Equity		97.2%
Cash		2.8%

Sector allocation

The fund invests in four distinct investment clusters, with the following exposure per end of February. 'Redesign Inputs': 33%; 'Enabling Technologies': 19%; 'Circular Use': 30%; and 'Loop Resources': 18%. As a result, the portfolio is invested mostly in the industrials, information technology, materials, consumer discretionary, consumer staples and healthcare sectors.

Sector allocation		Deviation index	
Semiconductors & Semiconductor Equipment	11.1%		2.8%
Commercial Services & Supplies	9.8%		9.2%
Electrical Equipment	7.1%		6.1%
Trading Companies & Distributors	7.0%		6.1%
Machinery	5.5%		3.4%
Professional Services	5.4%		4.4%
Construction & Engineering	4.5%		4.2%
Software	4.4%		-3.9%
Household Durables	4.4%		3.9%
Building Products	4.4%		3.7%
Health Care Equipment & Supplies	4.2%		1.9%
Chemicals	3.7%		1.7%
Other	28.2%		-44.1%

Regional allocation

The country allocation of the fund is purely the result of the bottom-up stock selection process of companies exposed to the shift to a circular economy. Consequently, the fund is currently overweight in Western Europe and underweight in North America compared to the MSCI World.

Regional allocation		Deviation index	
America	63.5%		-10.5%
Europe	32.1%		15.1%
Asia	4.4%		-4.5%
Middle East	0.0%		-0.2%

Currency allocation

The fund has no currency hedges in place. The currency allocation of the fund is purely a result of the bottom-up stock selection process. Internal investment guidelines limit currency deviations versus the investable universe to a maximum of 10%.

Currency allocation		Deviation index	
U.S. Dollar	59.7%		-11.3%
Euro	20.1%		11.3%
Pound Sterling	7.5%		3.7%
Japanese Yen	4.3%		-1.8%
Swedish Kroner	3.5%		2.7%
Danish Kroner	2.8%		1.9%
Mexico New Peso	2.1%		2.1%
Swiss Franc	0.0%		-2.4%
Australian Dollar	0.0%		-1.9%
Canadian Dollar	0.0%		-3.1%
Hong Kong Dollar	0.0%		-0.4%
Other	0.0%		-0.6%

ESG Important information

The sustainability information in this factsheet can help investors integrate sustainability considerations in their process. This information is for informational purposes only. The reported sustainability information may not at all be used in relation to binding elements for this fund. A decision to invest should take into account all characteristics or objectives of the fund as described in the prospectus. The prospectus is available on request and free of charge on the Robeco website.

Sustainability

The fund's sustainable investment objective is to finance solutions that support the transition from traditional production and consumption patterns toward a circular economy. Circular economy and sustainability considerations are incorporated in the investment process by the means of a target universe definition, exclusions, ESG integration, and voting. The fund only invests in companies that have a significant thematic fit as per Robeco's thematic universe methodology. Through screening on both Robeco's internally developed SDG Framework and Robeco's exclusion policy, the fund does not invest in issuers that have a negative impact on the SDGs, are in breach of international norms or where products have been deemed controversial. Financially material ESG factors are integrated in the bottom-up fundamental investment analysis to assess existing and potential ESG risks and opportunities. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to exclusion. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.

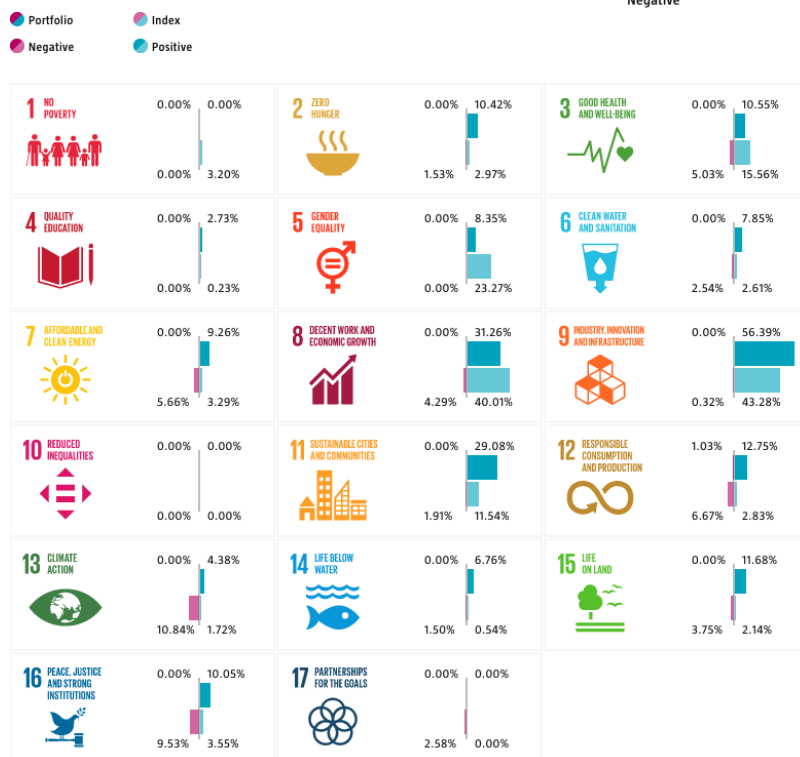
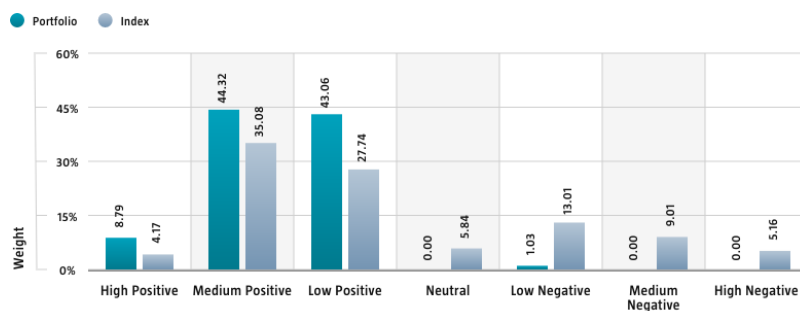
The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures.

The index used for all sustainability visuals is based on MSCI World Index TRN.

SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco's SDG Framework. The framework utilizes a three-step approach to assess a company's impact alignment with the relevant SDGs and assign a total SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. For comparison, index figures are provided alongside that of the portfolio. Only holdings mapped as corporates are included in the figures.

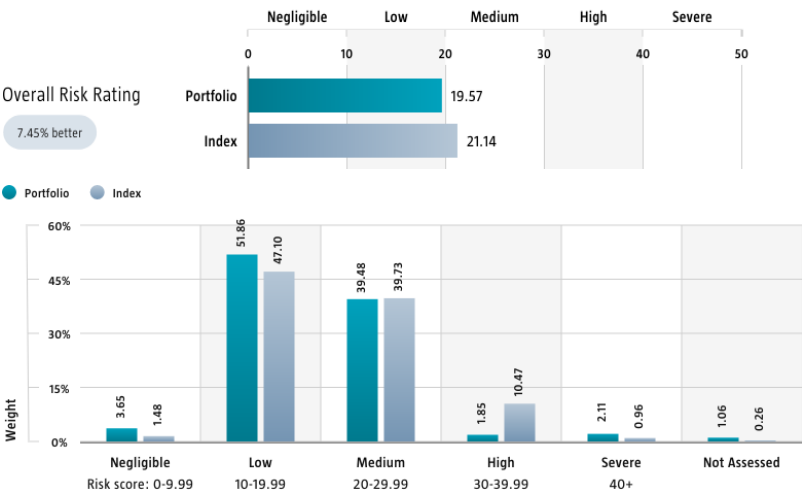
Use of the United Nations Sustainable Development Goals (SDG) logos, including the colour wheel, and icons shall only serve explanatory and illustrative purposes and may not be interpreted as an endorsement by the United Nations of this entity, or the product(s) or service(s) mentioned in this document. The opinions or interpretations shown in this document hence do not reflect the opinion or interpretations of the United Nations.



Source: Robeco. Data derived from internal processes.

Sustainalytics ESG Risk Rating

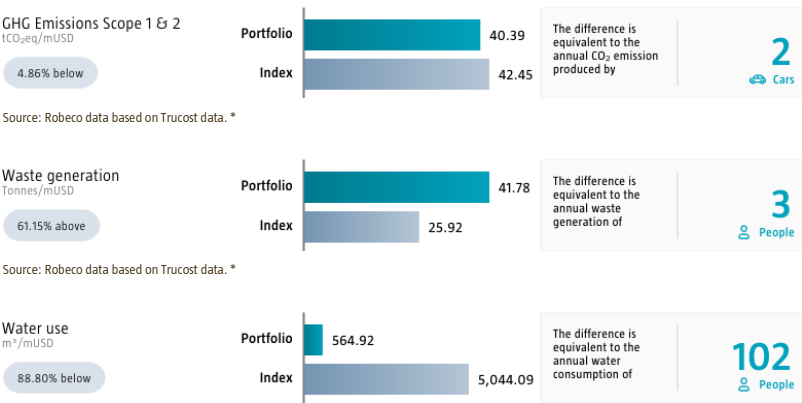
The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio allocations broken into Sustainalytics' five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. Index scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index. Only holdings mapped as corporates are included in the figures.



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Environmental Footprint

Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted average, multiplying each assessed portfolio constituent's footprint by its respective position weight. For comparison, index footprints are shown besides that of the portfolio. The equivalent factors that are used for comparison between the portfolio and index represent European averages and are based on third-party sources combined with own estimates. As such, the figures presented are intended for illustrative purposes and are purely an indication. Only holdings mapped as corporates are included in the figures.



Source: Robeco data based on Trucost data. *

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Engagement

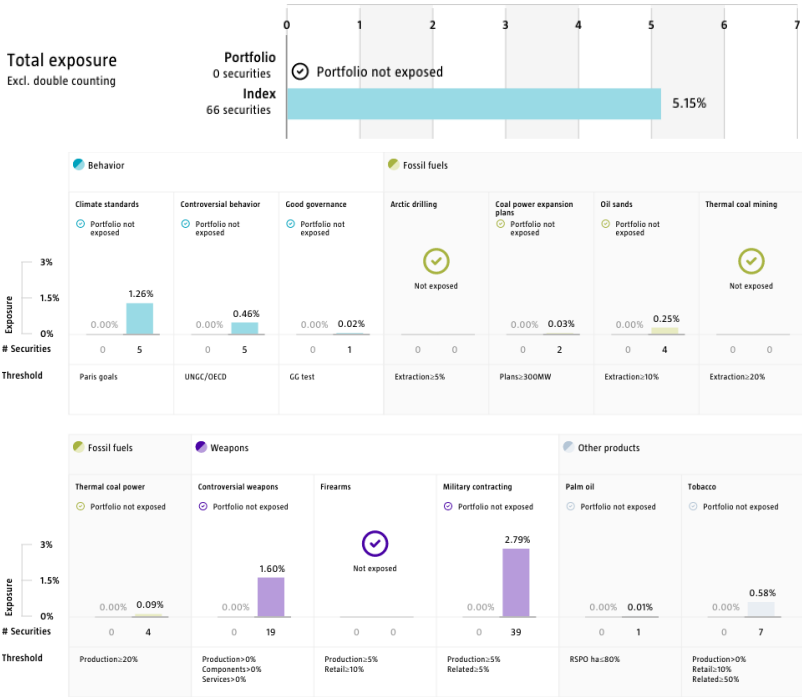
Robeco distinguishes between three types of engagement. Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution. Enhanced engagement is triggered by misconduct and focuses on companies severely breaching international standards. The report is based on all companies in the portfolio for which engagement activities have taken place during the past 12 months. Note that companies may be under engagement in multiple categories simultaneously. While the total portfolio exposure excludes double counting, it may not equal the sum of individual category exposures.

	Portfolio exposure	# companies engaged with	# activities with companies engaged with
Total (* excluding double counting)	13.71%	7	13
Environmental	0.00%	0	0
Social	0.69%	1	4
Governance	2.08%	1	1
Sustainable Development Goals	8.41%	4	7
Voting Related	2.53%	1	1
Enhanced	0.00%	0	0

Source: Robeco. Data derived from internal processes.

Exclusions

The Exclusions charts display the degree of adherence to exclusion applied by Robeco. For reference, index exposures are shown beside that of the portfolio. Thresholds are based on revenues unless otherwise indicated. For more information about the exclusion policy and which level applies, please refer to the Exclusion Policy and Exclusion List available on Robeco.com.



Source: We use several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available [Exclusion Policy](#)

Investment policy

RobecoSAM Circular Economy Equities is an actively managed fund that invests globally in companies aligned with circular economy principles. The selection of these stocks is based on fundamental analysis. The fund has sustainable investment as its objective, within the meaning of Article 9 of the Regulation (EU) 2019/2088 of 27 November 2019 on Sustainability-related disclosures in the financial sector to finance solutions supporting the paradigm shift to a circular economy. The strategy integrates sustainability criteria as part of the stock selection process and through a theme-specific sustainability assessment. The portfolio is built on the basis of an eligible investment universe that includes companies whose business models contribute to the thematic investment objectives and relevant SDGs using an internally developed framework, more information on which can be obtained at www.robeco.com/si. The fund also has the aim to achieve a better return than the index.

The fund has sustainable investment as its objective within the meaning of Article 9 of the European Sustainable Finance Disclosure Regulation. The fund fosters resource-efficient business models for production and consumption of consumer goods, aligned with Circular Economy principles, by investing in companies that advance the following UN Sustainable Development Goals (UN SDGs): Zero Hunger, Good health and well-being, Decent work and economic growth, Industry, innovation and infrastructure, Sustainable cities and communities and Responsible consumption and production. The fund applies sustainability indicators, including but not limited to, integrates E&S (i.e. Environmental and Social) in the investment process, applies normative, activity-based and region-based exclusions, and applies proxy voting.

The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The investment policy is not constrained by a benchmark but the fund may use a benchmark for comparison purposes. The fund can deviate substantially from the issuer, country and sector weightings of the Benchmark. There are no restrictions on the deviation from the Benchmark. The Benchmark is a broad market weighted index that is not consistent with the sustainable objective of the fund.

Fund manager's CV

Natalie Falkman is Portfolio Manager of the RobecoSAM Circular Economy Equities strategy and member of the Thematic Investing team. Before joining Robeco in 2022, she was a portfolio manager for Kapitalinvest, a global equity, 5-star rated by Morningstar and AAA-rated by Citywire (Global blend-category) fund at Swedbank Robur in Stockholm. Prior to that, she worked at Carnegie (largest independent investment bank in the Nordics), first as the Head of Emerging Markets Research and thereafter with Nordic Capital Goods Equity Research. She started her career in 2002 as an equity research analyst at Deutsche Bank in Moscow covering utility and shipping sectors. Natalie holds a Master in Finance from Stockholm School of Economics.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Sustainability images

The figures shown in the sustainability visuals are calculated on subfund level.

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Morningstar

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Febelfin disclaimer

The fact that the sub-fund has obtained this label does not mean that it meets your personal sustainability goals or that the label is in line with requirements arising from any future national or European rules. The label obtained is valid for one year and subject to annual reappraisal. For further information on this label, please visit www.towardssustainability.be.



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