

Factsheet | Figures as of 30-04-2023

RobecoSAM Circular Economy Equities IE USD

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

Index

MSCI World Index TRN

General facts

Type of fund	Equities
Currency	USD
Total size of fund	USD 204,490,486
Size of share class	USD 27,997
Outstanding shares	260
1st quotation date	28-11-2022
Close financial year	31-12
Ongoing charges	0.94%
Daily tradable	Yes
Dividend paid	Yes
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.
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>

Current MIFID legislation prevents us from reporting performance data for funds with less than a 12 month track record.

In April, the strategy underperformed the broader MSCI World. There are a number of areas in which the fund is underweight relative to the broader MSCI World and in the month of April, this was detrimental to performance. The main underweight areas that were behind the fund's relative underperformance were big pharma and big tech names, financials, consumer staples and the fund's overall tilt towards mid caps. The top contributors came from a variety of different sectors. They were mainly companies that already reported their Q1 numbers, which showed good results for 2023's first three months and good guidance for the remainder of the year. Examples of some of the key performance contributors are Hubbell, EssilorLuxottica, Atlas Copco, Kone and Republic Services. The same reasoning does not apply to the stocks with the largest negative contribution. Most of these stocks have not yet reported. There was no one single theme that was shared by the stocks with a weaker monthly performance and there was nothing that we believe needs to be addressed by changing the portfolio composition. In April, the strategy performance was largely in line with the internal thematic benchmark.

Market development

The first two weeks of the Q1 earnings season revealed an astonishing breadth of earnings beats. With that said, the big tech names provided the main fuel for the continued SPX rally. The often conflicting macro data points and companies' market comments leave room for both bears and bulls to stay entrenched in the respective views. However, the continued market resilience has been supported by investors' overall cautious views and positioning. This is exemplified by equity strategists' average end-of-year target price for the S&P 500 being below current levels. Currently, the Bloomberg collected consensus average target price for year-end for the S&P 500 is 4,025. The S&P 500 closed at 4,169 on the last day of April. In this continued uncertain environment, we prefer exposure to two main fundamental themes. First, we favor exposure to companies that are market share takers in their respective segments. The second area we favor are the segments that can retain growth momentum, also in uncertain and weaker markets. These areas are often linked to sustainability themes.

Expectation of fund manager

The visibility so far this year is better than in 2022, when macro clearly dominated micro. However, the main bull-bear debate between a soft and a hard landing of the economy remains unresolved. April produced both positive and negative data points, without the scale being tipped. In the current environment we remain patient, as high volatility occasionally presents attractive opportunities. In addition, we focus on two fundamental areas. First, we look for exposure to companies that are market share gainers in their respective segments. Secondly, we seek exposure to areas that are able to sustain growth momentum, also in weaker economic conditions. These areas are often linked to sustainability themes and have support from regulations, government-backed investments or both. These areas also often provide better visibility into future growth opportunities and help exposed companies make investment decisions that will ultimately result in earnings growth and reduce earnings volatility.

Top 10 largest positions

The fund has a relatively even positioning structure among high conviction holdings, with the current low visibility being one of the main reasons for that. Allowing for exposure to attractive areas through a number of companies rather than through one large position, is another reason. Against a backdrop of volatile markets, this portfolio structure makes the top ten holdings fluctuate from month to month. Two companies entered the top ten in April. One of them was Hubbell. Hubbell is an American utility and electrical grid systems and components manufacturer. It reported strong Q1 numbers at the end of April and the positive double-digit stock price reaction propelled the stock to a top two position. The second entry into the top-ten list was Shoals Technologies, an American designer and manufacturer of systems for balance of power for commercial solar installations and EV charging infrastructure. The companies that left the top ten but are still part of the fund's core holdings were SolarEdge and LKQ.

Fund price

30-04-23	USD	108.26
High Ytd (02-02-23)	USD	108.78
Low Ytd (05-01-23)	USD	98.09

Fees

Management fee	0.80%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.25%

Legal status

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

Issue structure	Open-end
UCITS V	Yes
Share class	IE USD
This fund is a subfund of Robeco Capital Growth Funds, SICAV	

Registered in

Hong Kong, Luxembourg, Singapore, 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

This share class of the fund will distribute dividend.

Fund codes

ISIN	LU2554843545
Bloomberg	ROCEUIE LX
Valoren	123580410

Top 10 largest positions

Holdings	Sector	%
Compass Group PLC	Hotels, Restaurants & Leisure	2.89
Hubbell Inc	Electrical Equipment	2.85
Prysmian SpA	Electrical Equipment	2.71
WESCO International Inc	Trading Companies & Distributors	2.68
Silgan Holdings Inc	Containers & Packaging	2.66
EssilorLuxottica SA	Health Care Equipment & Supplies	2.65
AECOM	Construction & Engineering	2.63
Applied Industrial Technologies Inc	Trading Companies & Distributors	2.62
Shoals Technologies Group Inc	Electrical Equipment	2.59
Xylem Inc/NY	Machinery	2.59
Total		26.91

Top 10/20/30 weights

TOP 10	26.91%
TOP 20	51.79%
TOP 30	72.78%

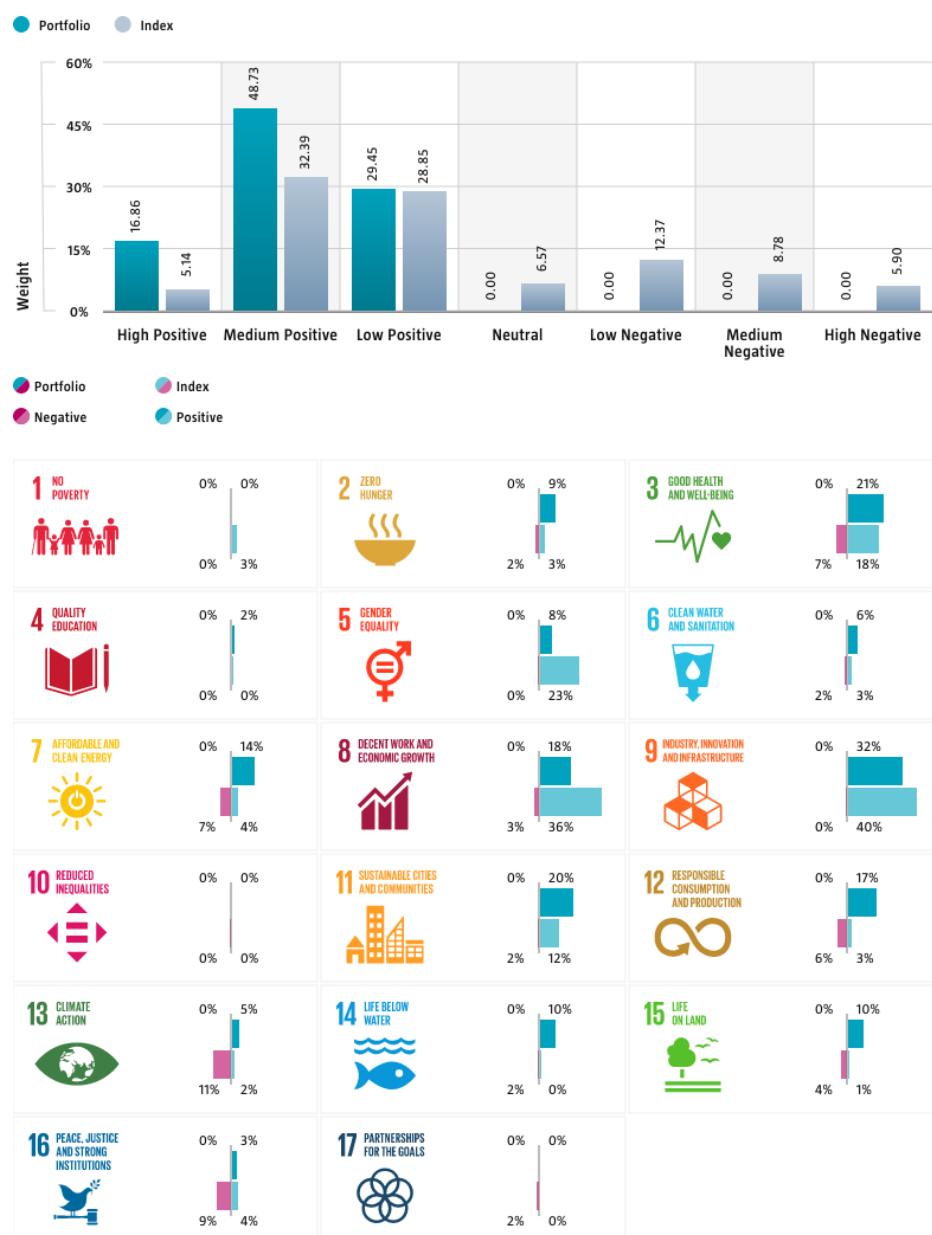
Sustainability

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.

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 frameworks, which utilizes a three-step approach to assess a company's impact alignment with the relevant SDGs, provides a methodology for assigning companies with an 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. If the data set does not cover the full portfolio, the figures shown above each impact level sum to the coverage level to reflect the data coverage of the portfolio, with minimal deviations that reflect rounding. Weights < 0.5% will show as 0. If an index has been selected, the same figures are also provided for the index. Holdings mapped as corporates and/or sovereign are included in the figures.

For more information, please visit
<https://www.robeco.com/docm/docu-brochure-robecosam-sdg-framework.pdf>



Asset Allocation

Asset allocation

Equity		95.0%
Cash		5.0%

Sector allocation

The fund invests in four distinct investment clusters, with the following exposure per end of July. '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	9.1%	4.3%
Construction & Engineering	8.9%	8.6%
Commercial Services & Supplies	8.7%	8.1%
Trading Companies & Distributors	8.2%	7.5%
Electrical Equipment	8.2%	7.3%
Machinery	7.6%	5.6%
Pharmaceuticals	4.9%	-0.7%
Chemicals	4.9%	2.7%
Life Sciences Tools & Services	3.9%	2.6%
Professional Services	3.6%	2.5%
Hotels, Restaurants & Leisure	2.9%	0.8%
IT Services	2.8%	1.5%
Other	26.5%	-50.5%

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	-4.3%
Europe	12.1%
Asia	-7.7%
Middle East	-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	-7.6%
Euro	9.4%
Pound Sterling	3.1%
Swedish Kroner	1.9%
Swiss Franc	-0.6%
Danish Krone	1.3%
Canadian Dollar	-1.5%
Mexico New Peso	1.8%
Japanese Yen	-4.4%
Australian Dollar	-2.1%
New Zealand Dollar	-0.1%
Hong Kong Dollar	-0.7%
Other	-0.7%

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 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 ESGs (i.e. Environmental and Social) in the investment process, applies normative, activity-based and region-based exclusions, and applies proxy voting. In addition, the fund also aims to achieve a better return than the index. 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. The assessment regarding relevant SDGs uses an internally developed framework, more information on which can be obtained at www.robeco.com/si. Benchmark: MSCI World Index TRN. The majority of stocks selected will be components of the benchmark, but stocks outside the benchmark may be selected too. While the investment policy is not constrained by a benchmark, the fund may use one 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. Before joining Robeco in 2022, she was a portfolio manager for Kapitalinvest, a global equity, 5-star rated by Morningstar, fund at Swedbank Robur in Stockholm. Prior to that, she worked as the Head of Emerging Markets research at Carnegie (formerly HQ Bank), covering Eastern Europe and Africa, before shifting her focus to Nordic stocks. 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 0.01% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Fiscal treatment of investor

Investors who are not subject to (exempt from) Dutch corporate-income tax (e.g. pension funds) are not taxed on the achieved result. Investors who are subject to Dutch corporate-income tax can be taxed for the result achieved on their investment in the fund. Dutch bodies that are subject to corporate-income tax are obligated to declare interest and dividend income, as well as capital gains in their tax return. Investors residing outside the Netherlands are subject to their respective national tax regime applying to foreign investment funds. We advise individual investors to consult their financial or tax adviser about the tax consequences of an investment in this fund in their specific circumstances before deciding to invest in the fund.

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Morningstar

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Disclaimer

Source: Robeco. As of 30-04-2023, NAV to NAV in denominated currency of the respective share class with dividends re-invested. The performance figures are calculated starting from the first quotation date. ©2023 Morningstar. All Rights Reserved. The information contained here in: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely by Morningstar. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. Investment involves risks. Historical return are provided for illustrative purposes only. Specific disclosure related to funds that invest in emerging markets: Funds which are invested in emerging markets may also involve a higher degree of risk than in developed markets. Specific disclosure related to funds that invest in high yield bonds: Investors should note that the investment strategy and risks inherent to the fund are not typically encountered in traditional fixed income long only funds. The price of units may go down as well as up and the past performance is not indicative of future performance. Investment returns not denominated in HKD/ USD are exposed to exchange rate fluctuations. Investors should refer to the fund's Hong Kong prospectus before making any investment decision. Investors should ensure that they fully understand the risk associated with the fund. Investors should also consider their own investment objective and risk tolerance level. Any opinions, estimates or forecasts may be changed at any time without prior warning. If in doubt, please seek independent advice. The content of this document is based upon sources of information believed to be reliable, but no warranty or declaration, either explicit or implicit, is given as to their accuracy or completeness. This fund may use derivatives as part of its investment strategy and such investments are inherently volatile and this fund could potentially be exposed to additional risk and cost should the market move against it. Investors should note that the investment strategy and risks inherent to the fund are not typically encountered in traditional equity long only funds. In extreme market conditions, the fund may be faced with theoretically unlimited losses. This document has not been reviewed by the Securities and Futures Commission.