

RobecoSAM Circular Economy Equities F 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	-1.95%	0.14%
3 m	0.44%	0.71%
Ytd	5.83%	5.97%
1 Year	-0.68%	-1.41%
2 Years	-1.80%	4.19%
3 Years	13.33%	12.80%
Since 01-2020	7.80%	6.84%

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
2022	-19.42%	-12.78%
2021	28.92%	31.07%

Annualized (years)

Index

MSCI World Index TRN

General facts

Morningstar	★★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 186,230,577
Size of share class	EUR 40,050,385
Outstanding shares	313,199
1st quotation date	23-01-2020
Close financial year	31-12
Ongoing charges	0.97%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

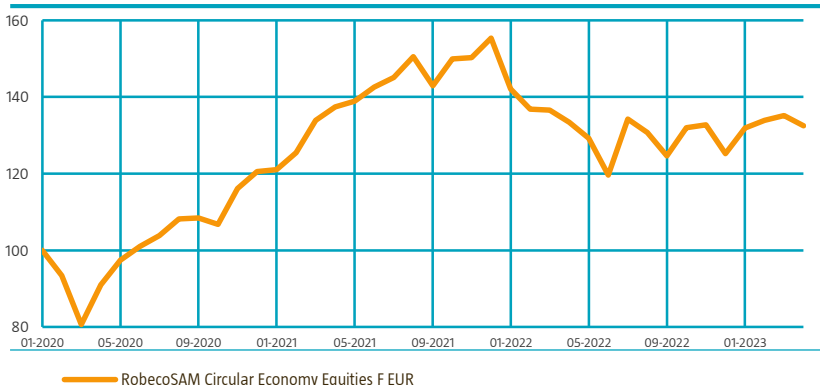
- Exclusions+
- ESG Integration
- Voting
- Target Universe



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

Performance

Indexed value (until 30-04-2023) - Source: Robeco



Performance

Based on transaction prices, the fund's return was -1.95%.

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	EUR	127.89
High Ytd (15-02-23)	EUR	132.43
Low Ytd (05-01-23)	EUR	121.59

Fees

Management fee	0.75%
Performance fee	None
Service fee	0.16%
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	F EUR
This fund is a subfund of Robeco Capital Growth Funds, SICAV	

Registered in

Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Singapore, Spain, Sweden, United Kingdom

Currency policy

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

Risk management

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

Dividend policy

The fund does not distribute dividend; any income earned is retained, and so the fund's entire performance is reflected in its share price.

Fund codes

ISIN	LU2092758999
Bloomberg	ROCEEF LX
WKN	A2PODQ
Valoren	52333289

Top 10 largest positions

Holdings

Compass Group PLC
Hubbell Inc
Prysmian SpA
WESCO International Inc
Silgan Holdings Inc
EssilorLuxottica SA
AECOM
Applied Industrial Technologies Inc
Shoals Technologies Group Inc
Xylem Inc/NY
Total

Sector	%
Hotels, Restaurants & Leisure	2.89
Electrical Equipment	2.85
Electrical Equipment	2.71
Trading Companies & Distributors	2.68
Containers & Packaging	2.66
Health Care Equipment & Supplies	2.65
Construction & Engineering	2.63
Trading Companies & Distributors	2.62
Electrical Equipment	2.62
Machinery	2.59
Total	26.91

Top 10/20/30 weights

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

Statistics

	3 Years
Tracking error ex-post (%)	6.39
Information ratio	0.27
Sharpe ratio	0.92
Alpha (%)	2.02
Beta	0.97
Standard deviation	15.79
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	22
Hit ratio (%)	61.1
Months Bull market	21
Months outperformance Bull	12
Hit ratio Bull (%)	57.1
Months Bear market	15
Months Outperformance Bear	10
Hit ratio Bear (%)	66.7

Above mentioned ratios are based on gross of fees returns.

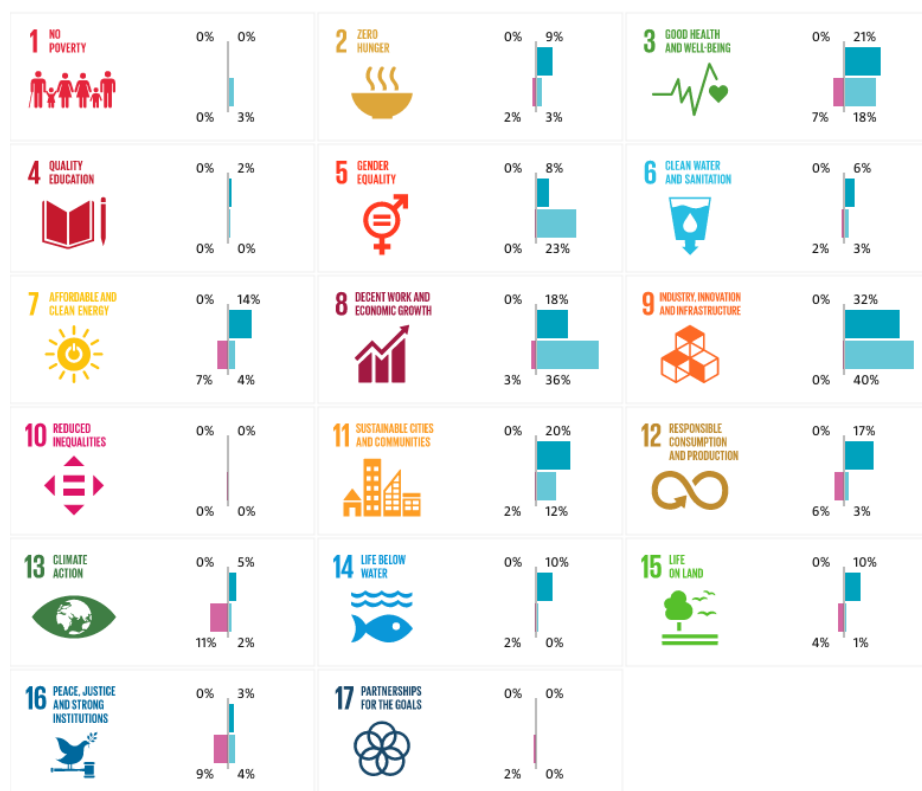
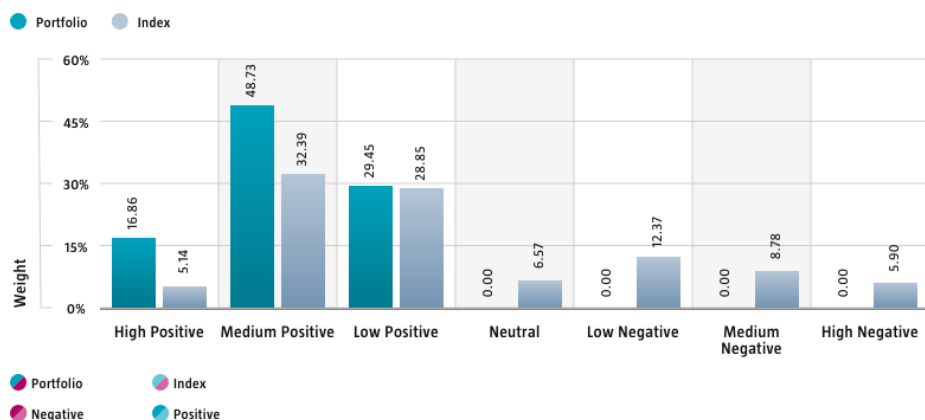
Sustainability

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 framework, 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.

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	66.8%		-4.3%
Europe	31.4%		12.1%
Asia	1.8%		-7.7%
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		60.3%		-7.6%
Euro		19.2%		9.4%
Pound Sterling		7.5%		3.1%
Swedish Kroner		2.9%		1.9%
Swiss Franc		2.4%		-0.6%
Danish Kroner		2.2%		1.3%
Canadian Dollar		1.9%		-1.5%
Mexico New Peso		1.8%		1.8%
Japanese Yen		1.7%		-4.4%
Australian Dollar		0.0%		-2.1%
New Zealand Dollar		0.0%		-0.1%
Hong Kong Dollar		0.0%		-0.7%
Other		0.0%		-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 E&S (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 0.05% 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.

Fiscal treatment of investor

The fiscal consequences of investing in this fund depend on the investor's personal situation. For private investors in the Netherlands real interest and dividend income or capital gains received on their investments are not relevant for tax purposes. Each year investors pay income tax on the value of their net assets as at 1 January if and inasmuch as such net assets exceed the investor's tax-free allowance. Any amount invested in the fund forms part of the investor's net assets. Private investors who are resident outside the Netherlands will not be taxed in the Netherlands on their investments in the fund. However, such investors may be taxed in their country of residence on any income from an investment in this fund based on the applicable national fiscal laws. Other fiscal rules apply to legal entities or professional investors. We advise 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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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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