

## Robeco Circular Economy F EUR

Robeco Circular Economy 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](http://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	2.60%	0.79%
3 m	7.14%	7.18%
Ytd	14.70%	16.08%
1 Year	17.34%	20.57%
2 Years	11.84%	12.49%
3 Years	5.00%	10.16%
Since 01-2020	11.27%	11.36%

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	28.92%	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 279,094,230
Size of share class	EUR 49,889,294
Outstanding shares	307,763
1st quotation date	23-01-2020
Close financial year	31-12
Ongoing charges	0.96%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

### Sustainability profile

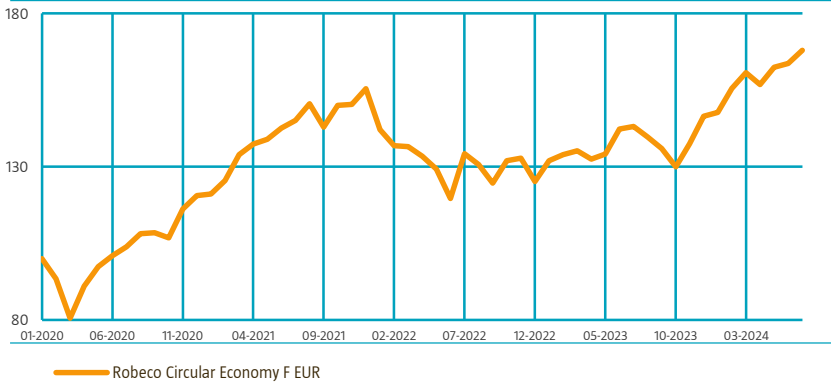
- Exclusions+
- ESG Integration
- Voting
- Target Universe



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 31-07-2024) - Source: Robeco



### Performance

Based on transaction prices, the fund's return was 2.60%.

In July, the fund delivered positive absolute returns and outperformed the MSCI World. Sector-wise, the main relative outperformance was delivered by the industrials and consumer discretionary sectors. The main relative underperformance was due to the strong financial sector – where the fund has no holdings – and the weak showing of technology holdings. Among individual contributors to both absolute and relative performance, Addtech and Sprouts Farmers Market stand out. Both companies delivered strong Q2 results. Among individual performance detractors, tech stocks and data center-exposed businesses dominated. In July, the fund underperformed versus its internal benchmark. Sector-wise, the main relative underperformance was due to technology and healthcare. In healthcare, life science tools companies had a good month, as their results showed positive signs of demand stabilization. The fund is currently underweight in this area relative to the internal benchmark, as we have a hard time reconciling the overall growth expectations with the generous valuations. In the technology sector, AI-driven businesses have been negative performance contributors.

### Market development

The market rally in the first half of July and the month's weak second half were to some extent both the result of increasingly weak economic data. Initially, weaker macro numbers led to growing certainty that the Fed would cut rates by its early fall meeting. However, the interpretational bias in the second half of July shifted to "bad news is bad news" and the assumed probability of a hard landing-scenario started to rise. In addition, the mixed earnings of the so-called Magnificent 7 did cast additional doubt on whether the tech rally has taken the market too far. In the Q2 reporting season, there have been 3 main learnings from earnings. First, despite muted volume, there is no pronounced pricing pressure. Second, growth areas are the same as in previous quarters. Third, H2 is increasingly unlikely to see the strong volume rebound that was anticipated in the beginning of this year. This creates a complex scenario for investors as they ask themselves whether they should stay invested in the crowded and relatively few growth areas, or whether they should start moving towards the under-owned areas whose growth prospects are unclear.

### Expectation of fund manager

The coming few months have historically signified a weaker market return period. The incoming abundant data on a weakening economic backdrop likely dampen investors' expectations on an imminent market rebound. The key question that is likely to take some time to answer is whether the soft-landing scenario can still be achieved. After the presidential election in the US in November, and if the labor market manages to stay relatively resilient, investors could start looking toward 2025 with greater enthusiasm as we also enter the seasonally stronger returns period toward the year end. Harsher sell-offs are not uncommon in a bull market. There are many factors that have contributed to the current retracement. However, as the soft versus hard-landing debate stays unresolved, and as labor markets continue to be relatively resilient despite showing signs of weakening, a balanced approach to market risks and opportunities is a likely way forward for now.

### Top 10 largest positions

In July, Oracle left the top ten list to become the 11th largest holding, and Invitation Homes entered the list. Invitation Homes provides renting-out as well as repair and maintenance services for single-family homes in the US. As affordability to own a home in the US has become prohibitive for many households, renting a home provides a more affordable alternative. The top ten holdings continue to contain many companies with a high portion of recurring revenues such as Compass Group, Clean Harbors, RELX. It also includes many companies with strong IP and customer value propositions like Tetra Tech, NVIDIA and Sprouts Farmers Market, supporting these companies' cash flows, profitability and market shares. In July, the fund exited KONE. KONE has in the past years become less dependent on the Chinese new equipment market. However, China is still a large part of KONE's business, while pricing pressure could also emerge in other business areas where investors currently expect resilience. No new holdings were added to the fund in July.

### Fund price

31-07-24	EUR	162.10
High Ytd (16-07-24)	EUR	163.09
Low Ytd (05-01-24)	EUR	137.39

### 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	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

NVIDIA Corp
Sprouts Farmers Market Inc
EssilorLuxottica SA
Compass Group PLC
AddTech AB
Clean Harbors Inc
Sensient Technologies Corp
Tetra Tech Inc
Invitation Homes Inc
RELX PLC
<b>Total</b>

Sector	%
Semiconductors & Semiconductor Equipment	4.84
Food & Staples Retailing	3.60
Health Care Equipment & Supplies	3.34
Hotels, Restaurants & Leisure	3.16
Trading Companies & Distributors	3.14
Commercial Services & Supplies	3.13
Chemicals	2.98
Commercial Services & Supplies	2.96
Residential REITs	2.95
Professional Services	2.95
<b>Total</b>	<b>33.07</b>

### Top 10/20/30 weights

TOP 10	33.07%
TOP 20	59.37%
TOP 30	77.98%

### Statistics

	3 Years
Tracking error ex-post (%)	6.06
Information ratio	-0.68
Sharpe ratio	0.27
Alpha (%)	-3.80
Beta	1.03
Standard deviation	15.69
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		95.3%
Cash		4.7%

### 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
Commercial Services & Supplies	10.3%	9.7%
Semiconductors & Semiconductor Equipment	9.4%	0.4%
Software	7.2%	-0.8%
Professional Services	6.4%	5.3%
Electrical Equipment	5.9%	4.8%
Trading Companies & Distributors	4.9%	4.1%
Construction & Engineering	4.8%	4.5%
Health Care Equipment & Supplies	4.7%	2.6%
Chemicals	4.4%	2.6%
Household Durables	4.2%	3.7%
Food & Staples Retailing	3.9%	2.2%
Building Products	3.7%	3.0%
Other	30.2%	-41.9%

### 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	61.5%	-13.2%
Europe	33.4%	16.9%
Asia	5.1%	-3.5%
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	55.6%	-16.3%
Euro	20.6%	12.3%
Pound Sterling	7.7%	3.9%
Japanese Yen	4.9%	-1.0%
Swedish Kroner	4.3%	3.5%
Danish Kroner	2.9%	2.0%
Mexico New Peso	2.4%	2.4%
Swiss Franc	1.6%	-0.9%
Australian Dollar	0.0%	-1.8%
Canadian Dollar	0.0%	-3.0%
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

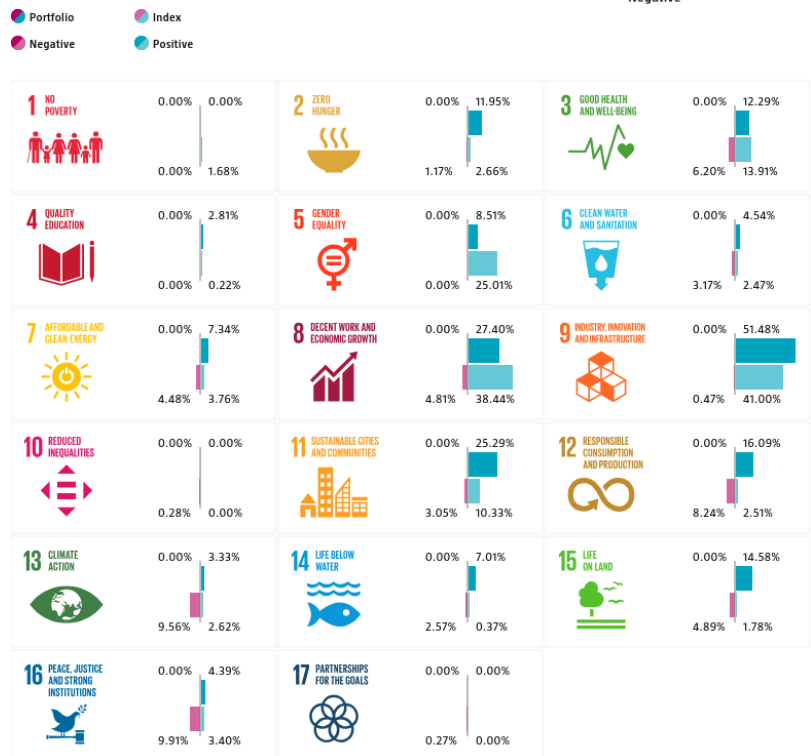
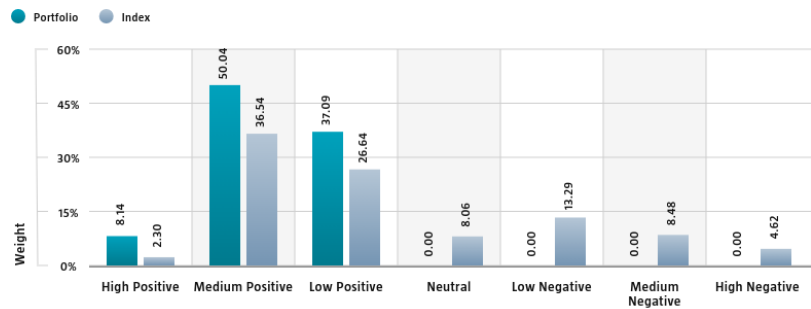
The fund's sustainable investment objective is to finance solutions that support the transition from traditional production and consumption patterns toward a circular economy. Circular economy and sustainability considerations are incorporated in the investment process by the means of a target universe 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.

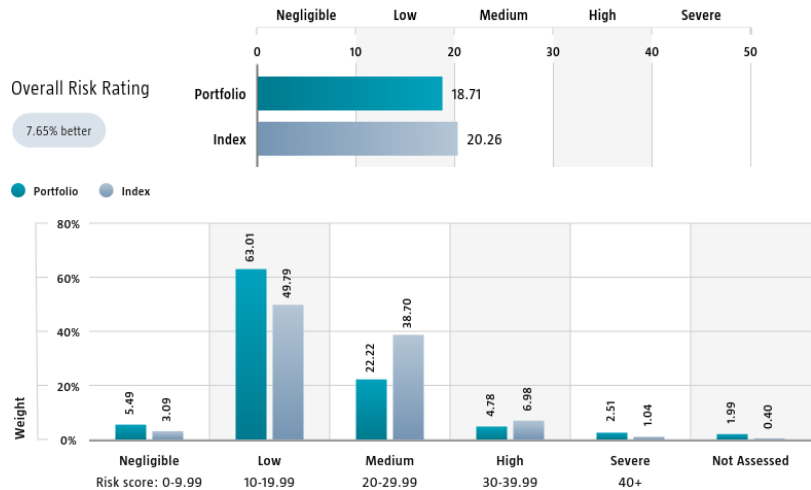
Use of the United Nations Sustainable Development Goals (SDG) logos, including the colour wheel, and icons shall only serve explanatory and illustrative purposes and may not be interpreted as an endorsement by the United Nations of this entity, or the product(s) or service(s) mentioned in this document.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

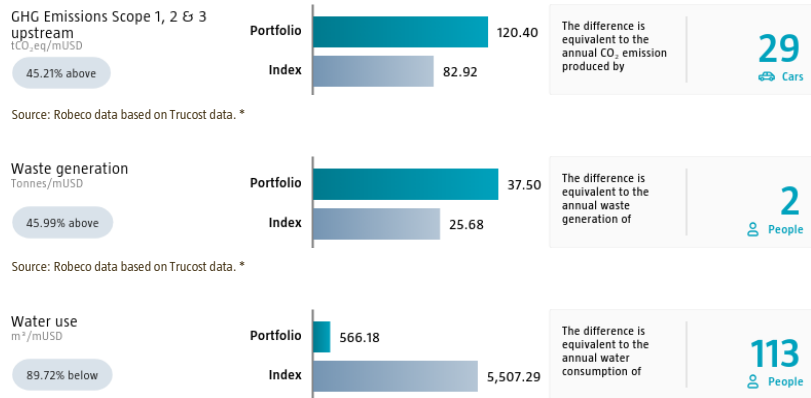
The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio 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.

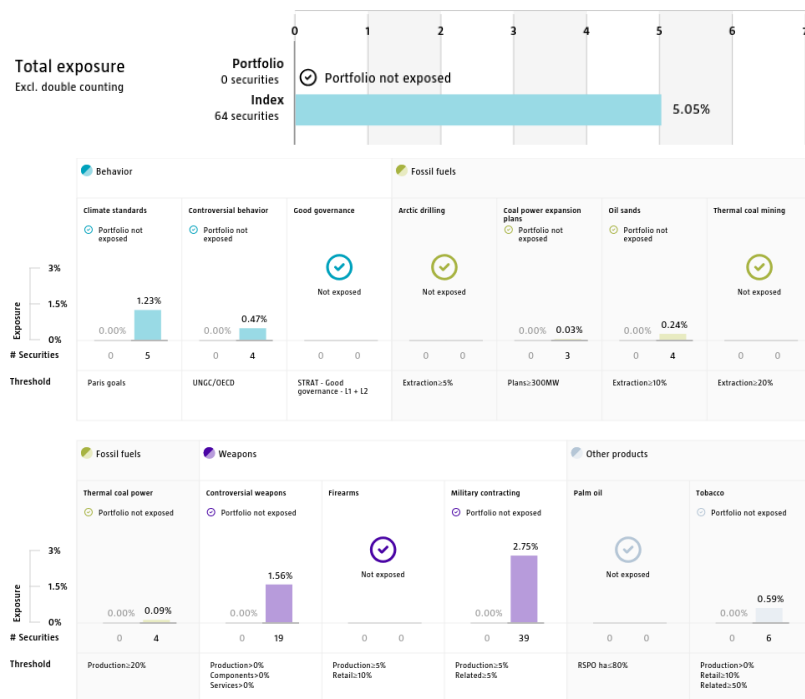
Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution. 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)	17.74%	9	26
Environmental	0.00%	0	0
Social	2.93%	2	7
Governance	0.00%	0	0
Sustainable Development Goals	12.87%	6	18
Voting Related	1.95%	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, RSPD (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available [Exclusion Policy](#)

## Investment policy

Robeco Circular Economy 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](http://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 Sub-fund is actively managed. The securities selected for the Sub-fund's investment universe may be components of the Benchmark, but securities outside the Benchmark may be selected too. The investment policy is not constrained by a benchmark but the Sub-fund uses a benchmark for comparison purposes. The Portfolio Manager has discretion over the composition of the portfolio subject to the investment objectives. The Sub-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 Sub-fund.

## Fund manager's CV

Natalie Falkman is Portfolio Manager of the Robeco Circular Economy 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's 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.

## MSCI disclaimer

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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.towardsustainability.be](http://www.towardsustainability.be).



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