

SKAGEN Global LUX B EUR

Q1 2025 Quarterly Report

All data in EUR as of 31/03/2025 unless otherwise stated

This is marketing communication



INVESTMENT OBJECTIVE

SKAGEN Global is a high conviction, active equity fund which aims to generate long-term capital growth by investing in undervalued companies from across the globe.

The Luxembourg SICAV was launched in 2019.

FUND INFORMATION

Start date	27/09/2019
Benchmark	MSCI ACWI
ISIN	LU1932715532
Morningstar Category	Global Large-Cap Blend Equity
Fixed Fee	0.55%
SFDR Category	Article 8
Portfolio Managers	Knut Gezelius Chris-Tommy Simonsen



Knut Gezelius & Chris-Tommy Simonsen

- ❖ Knut Gezelius CFA joined SKAGEN in May 2014.
- ❖ Previously Executive Director, Global Equity, Goldman Sachs Asset Management in London.
- ❖ Chris-Tommy Simonsen joined SKAGEN in 2006.
- ❖ Previously a Settlement Manager for Christiania Securities ASA in Oslo.

INVESTMENT COMMENTARY

The global equity market ended the first quarter slightly down after a barrage of tariff announcements from the Trump administration coupled with profit-taking in the Magnificent 7 stocks erased the enthusiasm seen at the start of the year. The US bond market, however, seems unperturbed as illustrated by the US generic government 10-year bond yield dropping from a peak of 4.8% in mid-January to roughly 4.2% at the end of March. Interestingly, the German bond market went the other way with the 10-year bond rising from 2.4% in January to 2.7% in March, including a historic daily jump of 30 basis points, the largest one-day increase recorded since the Berlin Wall came down in 1989. The explanation behind climbing yields in Germany is likely the government's decision to loosen the purse strings to invest hundreds of billions in infrastructure and defence. Time will tell whether this formal decision becomes reality. When it comes to the tariff threat to global trade, it is virtually impossible to predict the short-term development of this saga. We are certainly not oblivious to the economic damage that may ensue if tariffs were to be implemented with full force, possibly sparking reciprocal action that would pour salt into the wound. Nevertheless, stepping away from the media headlines and harsh political rhetoric, we remain relatively sanguine about the situation. In our assessment, many of the actions by the Trump administration do not share widespread support among US voters. To that point, we believe that Trump and the Republican party won a strong mandate in the 2024 election primarily to curb inflation; that is, US (swing) voters put more trust in Trump and the Republicans than in Biden and the Democrats to pursue an economic policy to contain the rampant inflation eroding the purchasing power of many Americans in recent years. Voters will deliver their first verdict on Trump at the mid-term elections slated to take place in November 2026. At the Mid-terms, all 435 seats in the House of Representatives and roughly one third of the seats in the Senate are up for election. If the Republicans were to lose the currently held majority in both chambers, implementing their political agenda would become much more difficult, if not outright impossible. In addition, a sluggish stock market sapping pension savings combined with sticky inflation and poor consumer sentiment does not bode well for retaining voter confidence, in our view. Therefore, we argue there is sound reason to believe that Trump, or at least his advisors, will tone down tariffs at some point and accelerate a more pro-growth economic agenda. But politics is not always rational, so preparing for a variety of outcomes seems prudent and continues to guide how we position SKAGEN Global. SKAGEN Global outperformed its benchmark index in the first quarter. The fund beat the benchmark index by nearly 5% and has shown resilience during the period of tariff-induced elevated market uncertainty. The fund's top three contributors to absolute return were Munich Re, TMX Group and Brown & Brown. The German reinsurance giant Munich Re surprised the market with a generous capital return announcement. While this payout is a short-term positive catalyst, we view the firm's simultaneous communication around stronger reserve buffers as more important for long-term investors. Additionally, the reinsurer has maintained underwriting discipline, which is crucial if the rate cycle becomes less favourable going forward. The Toronto stock exchange operator TMX Group delivered an impressive report across virtually all dimensions. This investment case has further to go with an attractive risk-reward profile as long as execution stays high. Finally, the family-controlled insurance broker Brown & Brown had another strong quarter, gradually expanding the corporation both by business line as well as geographical exposure. The three worst contributors were Alphabet (Google), Amazon and Canadian Pacific (CP). Alphabet has been caught up in the sell-off hitting Big Tech after a strong 2024. Its quarterly results were largely in-line with our expectations, but the sell-down may be driven more by profit-taking and capital leaving the US in light of the political turmoil on the global arena. A similar story applies to Amazon. Lastly, the North American freight railway Canadian Pacific also had a subdued quarter from a share price perspective. President Trump's decision to hit neighbouring Canada and Mexico with steep tariffs weighed on sentiment considering the transcontinental track footprint of the railway company. However, Canadian Pacific also announced that the company will resume its buyback program that has been on hold since the acquisition of Kansas City Southern. The debt paydown toward the target leverage level is largely complete, paving the way for share repurchases. While we would have preferred the stock to go up, the buyback announcement sits well with the stock in the lower region. We do not know if or when the penalising tariffs will be lifted, but we see Canadian Pacific as an undervalued asset with substantial upside potential were the macro environment to become more favourable.

In terms of portfolio changes, SKAGEN Global welcomed North America's largest garbage company Waste Management back into the fund. Two key aspects have changed since we last owned the stock. First, we contend that the new presidential administration is less hostile to business mergers and acquisitions than the previous one. This change would enable Waste Management to grow its solid core waste business. Second, the acquisition of Stericycle seems to be under control. In our assessment, Waste Management appears to share our view that under its previous leadership Stericycle was in dire need of several changes to improve business performance. In other words, we were encouraged by the straightforward communication from Waste Management about immediately rectifying some of these shortcomings. This approach increases our confidence in a successful integration. Lastly, Waste Management continues to demonstrate solid execution and our proprietary financial analysis indicates that the investment case is appealing for long-term investors. Although we did not exit any holdings in the first quarter, we scaled down the position size in names where we see less upside after good share price performance, e.g., ICE and Brown & Brown. We also trimmed the Danish logistics company DSV to reflect a somewhat less attractive business case after the strong run in 2024 and some fundamentals weakening. Moreover, we are starting to see more value in some of the Big Tech names after their weak start in 2025. We sold down our Microsoft position meaningfully in early 2024 due to valuation considerations – and indeed, Microsoft was a relative underperformer last year. However, at its current level we view the valuation more favourably and have started adding to our position.

Investor sentiment is shaken, and global consumers remain cash-strapped as inflation remains stubbornly high. At times like these, it can be tempting to give in to your fight-or-flight reflex and step away from the stock market. We are not market timers and cannot predict how markets will develop from here, especially not in the short term. But looking at the SKAGEN Global portfolio, we are confident that our holdings are well positioned to navigate this complex environment. The balance sheets of our investments are generally in great shape and, on average, appreciably stronger than that of a typical company in the index. Furthermore, the recent pullback in the market means the risk-reward profile of SKAGEN Global looks increasingly attractive to investors with a multi-year time horizon who are able and willing to sit through the short-term disturbances that inevitably hit the global equity market every so often. We remain confident in the ability of the fund to continue to deliver attractive risk-adjusted returns.

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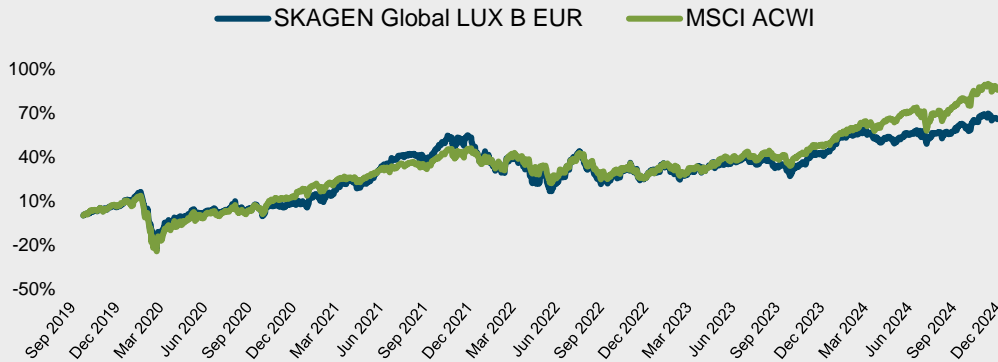
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FUND PERFORMANCE

	Q1 2025	1-Year	3-Year	Since Start
SKAGEN Global LUX B EUR	-0.5%	4.0%	6.0%	9.7%
MSCI ACWI	-5.4%	7.1%	8.0%	10.9%
Relative Return	4.9%	-3.1%	-1.9%	-1.3%



As at 31/03/2025 in EUR, net of fees

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skill, the fund's risk profile and management fees. The return may become negative as a result of negative price developments. There is a risk associated with investing in the fund due to market movements, currency developments, interest rate levels, economic, sector and company-specific conditions.

RISK PROFILE

We have classified this product as 5 out of 7, which is a medium-high risk class. This rates the potential losses from future performance at a medium-high level. Other risks not included in the summary risk indicator but materially relevant: Event risk, liquidity risk, operational risk, counterparty risk, derivatives risk. Be aware of currency risk. You will receive payments in a different currency, so the final return you will get depends on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. This product does not include any protection from future market performance so you could lose some or all of your investment.

PORTFOLIO STATISTICS

No. of holdings	31
Top 10 weighting	48.8%
Active Share	88%
Turnover ratio	47%
Investment horizon ¹	5 years

PERFORMANCE ATTRIBUTION²

Largest contributors ▲

Holding	Weight	Contribution
MUENCHENER RUECKVER AG-REG	4.1%	0.2%
SAMSUNG ELECTRONICS CO LTD	1.8%	0.0%
RELX PLC	1.9%	0.0%
RELX PLC	1.8%	0.0%
AEGON LTD	3.5%	0.0%

Largest detractors ▼

Holding	Weight	Contribution
CANADIAN PACIFIC KANSAS	6.7%	-0.9%
MOODY'S CORP	5.0%	-0.5%
ALPHABET INC-CL C	4.0%	-0.5%
AMAZON.COM INC	4.0%	-0.5%
BRUNELLO CUCINELLI SPA	3.1%	-0.5%

PORTFOLIO INFORMATION

COUNTRY EXPOSURE ³		
	Fund	Benchmark
United States	55,4%	63,2%
Canada	18,7%	2,8%
Germany	4,2%	2,2%
United Kingdom	3,9%	3,5%
Denmark	3,7%	0,5%
Netherlands	3,6%	1,1%
Italy	2,9%	0,6%
France	2,5%	2,5%
South Korea	2,0%	0,9%
Norway	1,2%	0,1%

SECTOR EXPOSURE		
	Fund	Benchmark
Financials	43,4%	18,1%
Industrials	24,1%	10,6%
Consumer Discretionary	13,3%	10,6%
Information Technology	7,3%	23,4%
Health Care	6,0%	10,3%
Communication Services	3,3%	8,2%
Consumer Staples	1,2%	6,3%
Materials	0,0%	3,6%
Energy	0,0%	4,2%
Real Estate	0,0%	2,1%

TOP TIEN POSITIES	
CANADIAN PACIFIC KANSAS	6.5%
ABBOTT LABORATORIES	6.0%
TMX GROUP LTD COMMON	5.5%
MOODY'S CORP COMMON	5.1%
AMAZON.COM INC COMMON	4.5%
VISA INC COMMON USD	4.4%
MICROSOFT CORP COMMON	4.4%
MASTERCARD INC COMMON	4.2%
MUENCHENER	4.2%
MSCI INC COMMON USD	4.1%
Combined Weight	48.8%

¹ For guidance purposes only ² Contribution to absolute monthly return ³ Fund exposure based on country of risk

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IMPORTANT INFORMATION

This is a marketing communication, and this document is intended for professional investors only. Except otherwise stated, the source of all information is Storebrand Luxembourg SICAV as at 31/03/2025.

Historical returns are no guarantee for future returns. Future returns will depend, inter alia, on market developments, the fund manager's skills, the fund's risk profile and subscription and management fees. The return may become negative as a result of negative price developments. Statements reflect the portfolio managers' viewpoint at a given time, and this viewpoint may be changed without notice.

Future fund performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future. The tax treatment of the gains and losses made by the investor and distributions received by the investor depends on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the Sub-fund, investors are urged to consult with their tax advisor for a complete understanding of the tax regime, which is applicable to their individual case.

Storebrand SICAV, (RCS Registration Number: B 234106) is an investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as a UCITS and falls under the supervision of the Luxembourg financial supervisory authority, Commission de Surveillance du Secteur Financier (the "CSSF"). Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company and further FundRock has appointed Storebrand Asset Management AS as its investment manager. Following the merger between Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team continues to manage the SKAGEN SICAV sub-funds from a new separate legal entity named SKAGEN AS under an outsourcing agreement with Storebrand Asset Management AS. The SICAV has appointed Storebrand Asset Management as Global Distributor.

No offer to purchase shares can be made or accepted prior to receipt by the offeree of the Sub-fund's prospectus and PRIIPS KID (for UK: KIID) and the completion of all appropriate documentation. You can download more information including subscription/redemption forms, full prospectus, PRIIPs KID (for UK: KIID), General Commercial Terms, Annual Reports and Monthly Reports in English language from SKAGEN's webpages <https://www.skagenfunds.lu/funds>

Investors' rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: <https://www.skagenfunds.com/contact/investor-rights>

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The Sub-fund takes sustainability risk and ESG characteristics into account as part of its selection process. In that respect the Sub-fund promotes environmental and/or social characteristics within the meaning of Art 8 of SFDR. For the assessment areas like corporate strategy, corporate governance, transparency and the product and service range of a company are taken into account. Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English, can be found here: <https://www.skagenfunds.lu/sustainability/sustainable-investing/>

The decision to invest in the Sub-fund should take into account all the characteristics or objectives of the Sub-fund as described in its prospectus <https://www.skagenfunds.lu/funds/>

The Storebrand SICAV has registered its 7 Sub-Funds (SKAGEN Kon-Tiki Lux, SKAGEN Focus Lux, SKAGEN Global Lux, SKAGEN m2 Lux, Storebrand Global Solutions Lux, Storebrand Global ESG Plus Lux and Storebrand EM ESG Plus) for public distribution in Luxembourg, the UK, Germany, Austria, the Netherlands, Belgium, and France.

Important Information for Luxembourg Investors

Storebrand SICAV has appointed Fund Rock Management Company S.A. to act as its designated management company. FundRock Management Company S.A.'s offices are located at: 33, rue de Gasperich, 5826 Hesperange, Grand Duchy of Luxembourg.

Important Information for UK Investors

The Storebrand SICAV has appointed Storebrand Asset Management UK Ltd (SAM UK Ltd) to act as Facility Agent in the UK.

The investment products and services of SAM UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. This document does not constitute an offer to buy or sell shares in any of the products offered by SAM UK Ltd.

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Important Information for Belgian Investors

The Storebrand SICAV has appointed Caceis Belgium SA/NV to act as the Financial Service Provider for the SICAV. Caceis Belgium SA/NV's offices are located at: Avenue du port 86C B320, 1000 Brussels Belgium.

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Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in English language, can be found here: <https://www.skagenfunds.com/sustainability/sustainable-investing>

Important Information for French Investors

The Storebrand SICAV has appointed CACEIS Bank as the Centralizing Correspondent for the SICAV. CACEIS Bank's offices are located at 1-3 Place Valhubert, F-75013 PARIS, France.

Investors' rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in English is available here: <https://www.skagenfunds.fr/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in French language, can be found here: <https://www.skagenfunds.fr/sustainability/sustainable-investing>

Important Information for German Investors

The Facilities Services information for German investors can be found here: <https://www.skagenfunds.de/how-to-invest/facilities-services-fur-investoren/>

Investors' rights to complain and certain information on redress mechanisms are made available to investors pursuant to our complaints handling policy and procedure. The summary of investor rights in German language is available here: <https://www.skagenfunds.de/contact/investor-rights>

Further information about sustainability-related aspects of the Sub-fund, including the sustainability disclosure summary in German language, can be found here: <https://www.skagenfunds.de/sustainability/sustainable-investing>

Important Information for Dutch Investors

The Facilities Services information for investors in the Netherlands, including all legal documents and practical information, can be found here: <https://www.skagenfunds.nl/how-to-invest/facilities-services-for-investors/>