

SKAGEN Global LUX B EUR

Q3 2023 Quarterly Report

All data in EUR as of 30/09/2023 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

A bumpy third quarter

Global equity markets struggled in the third quarter and took a step back from the higher levels reached earlier in the year. Inflation and interest rates are dominating the macro debate and it is worth noting that the US 10-year generic government bond yield now exceeds 4.5% and is marching higher toward levels not seen since 2007. The market also has plenty of other worries: the geopolitical situation around the world remains tense, consumers are feeling the pinch of inflation and a clear lack of supply-side reforms is a coherent theme through much of the Western political landscape.

SKAGEN Global underperformed its benchmark index in the third quarter. The fund's three best quarterly performers measured by absolute return were Alphabet (Google), Old Dominion Freight Line and MSCI. The business model of Alphabet is arguably one of the best ever invented and cash flow continues to drive share price performance. The company has likely been a beneficiary of the general excitement surrounding artificial intelligence (AI). We also see the potential upside from wider AI adaptations, but we think that Alphabet has much more to offer. We first invested in Alphabet in 2012 and over the past decade several technological trends have come and gone. Time and again, Alphabet has demonstrated its prowess in the technology innovation race and there is reason to believe that the company can continue to drive shareholder value over the coming years. Our US logistics firm Old Dominion Freight Line, controlled by the founding Congdon family, delivered another strong quarter. One of its largest competitors, the 100-year-old trucking firm Yellow Corporation, filed for bankruptcy due to an overleveraged balance sheet and costly union demands that have hollowed out the business. Old Dominion is managed very differently, and the company appears to have increased its market share on the back of its competitor's demise. The index provider MSCI recovered after a temporary dip earlier in the year and the long-term case remains compelling.

The fund's three largest quarterly detractors in absolute terms were Dollar General (DG), Edwards Lifesciences and Estee Lauder. This year has not been kind to either DG or Estee Lauder, two consumer-facing firms that have not been able to navigate the post-pandemic inflationary environment in a convincing manner. In the US, DG's core low-income customers are struggling with persistent inflation while the middle class is somehow managing to get on without a pressing need to trade down when purchasing consumables. This dynamic is very different to that of previous economic cycles. In addition, some self-inflicted operational hiccups have exacerbated the negative sentiment around the stock. However, we recently met with the management team and continue to believe that the company can get things back on track. The wealth of knowledge that the DG board and management team have accumulated in the retail space should not be underestimated. The global cosmetics giant Estee Lauder has grappled with a poor post-pandemic sales recovery in China and the management team have been forced to backtrack more than once from its overoptimistic projections. While we are disappointed by the lack of operational excellence, our assessment is that the brand value has not been impaired, and the balance sheet remains solid. We therefore think there is ample room for Estee Lauder to rectify these shortcomings and doing so will likely have a materially positive impact on the share price. Edwards Lifesciences has had a bumpy year and will present the results of several research studies in the next couple of months. The company's market in transcatheter aortic valve replacement appears to be returning after a decline in patient procedures during the pandemic, though the overhang is not yet fully resolved.

SKAGEN Global initiated a new position in the UK-listed company RELX, a global provider of information and analytics for professional and business customers. Over the past decade, RELX has undergone a transformation from a sleepy book, journal and ad publisher to an innovation-driven data analytics company. Most of the heavy-lifting has been done, but we think the market still underestimates several aspects of the long-term equity story. Under one of Europe's most prudent capital allocation management teams, RELX has an underappreciated opportunity encompassing both organic growth and rising profitability. The fund did not exit any holdings during the quarter.

The fund's portfolio of undervalued companies is well positioned to tackle a range of economic scenarios while delivering value to long-term shareholders.

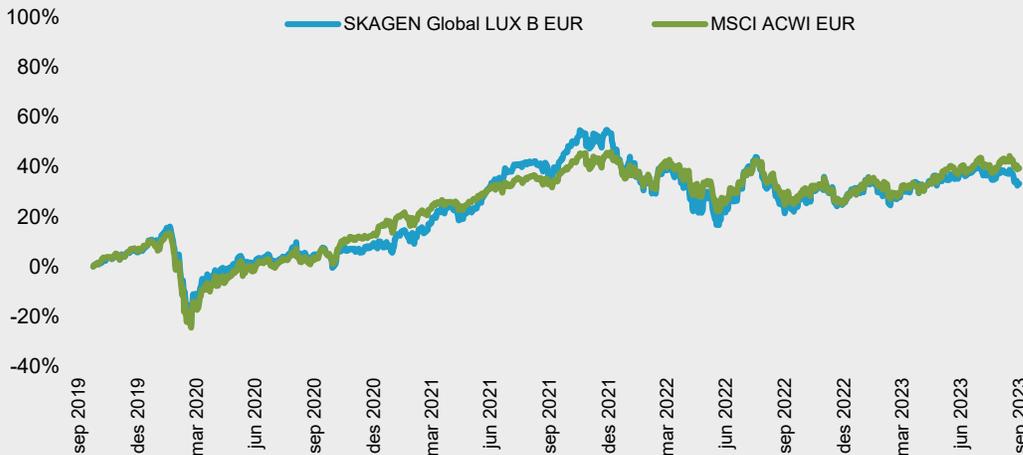
SKAGEN Global LUX B EUR Q3 2023 Quarterly Report

All data in EUR as of 30/09/2023 unless otherwise stated

This is marketing communication



	Q3 2023	YTD 2023	1-Year	3-Year	Since Start
SKAGEN Global LUX B EUR	-4.3%	6.3%	9.8%	8.5%	7.6%
MSCI ACWI	-0.5%	10.9%	11.8%	10.6%	8.8%
Relative Return	-3.8%	-4.6%	-2.0%	-2.1%	-1.2%



As at 30/09/2023 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	46.6%
Active Share	88%
Turnover ratio	47%
Investment horizon ¹	5 years

PERFORMANCE ATTRIBUTION²

Largest contributors ▲

Holding	Weight	Contribution
Alphabet Inc	3.9%	1.6%
Microsoft Corp	5.4%	1.5%
DSV A/S	6.0%	1.1%
Old Dominion Freight Line Inc	2.4%	1.0%
Brown & Brown Inc	4.1%	0.9%

Largest detractors ▼

Holding	Weight	Contribution
Dollar General Corp	2.9%	-2.4%
Estee Lauder Cos Inc/The	3.1%	-1.5%
Nasdaq Inc	2.9%	-1.0%
NIKE Inc	3.1%	-0.5%
Abbott Laboratories	3.8%	-0.4%

PORTFOLIO INFORMATION

COUNTRY EXPOSURE		
	Fund	Benchmark
United States	74.4%	60.9%
Canada	7.3%	3.0%
Denmark	6.1%	0.8%
France	3.4%	2.9%
Netherlands	2.8%	1.2%
United Kingdom	2.7%	3.6%
Korea, Republic Of	1.9%	1.3%
New Zealand	1.1%	0.1%
Sweden	0.0%	0.7%
Switzerland	0.0%	2.7%

SECTOR EXPOSURE		
	Fund	Benchmark
Financials	34.6%	15.8%
Industrials	18.9%	10.4%
Information Technology	16.6%	21.6%
Consumer Discretionary	9.8%	11.2%
Health Care	8.1%	11.9%
Consumer Staples	5.2%	7.1%
Communication Services	4.2%	7.6%
Utilities	0.0%	2.6%
Energy	0.0%	5.2%
Materials	0.0%	4.5%

TOP 10 HOLDINGS	
DSV AS	6.1%
Microsoft Corp	5.8%
Cdn Pac Kans Cy	5.1%
Brown & Brown Inc	4.7%
Moodys Corp Com	4.4%
JPMorgan Chase & Co	4.2%
Accenture Plc	4.2%
Alphabet Inc	4.2%
Marsh & McLennan Co's	4.1%
Visa Inc	3.9%
Combined weight	46.6%

¹ For guidance purposes only ² Contribution to absolute return year-to-date

SKAGEN Global LUX B EUR

Q3 2023 Quarterly Report

All data in EUR as of 30/09/2023 unless otherwise stated

This is marketing communication



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 30/09/2023.

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 and SKAGEN AS as its investment managers. The SICAV has appointed Storebrand Asset Management as Global Distributor and Storebrand Asset Management has appointed SKAGEN AS as Global Sub-Distributor.

SKAGEN AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds Act. SKAGEN AS is part of the Storebrand Group and owned 100% by Storebrand Asset Management AS. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

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.lu/contact/investor-rights/>

Storebrand Asset Management AS or FundRock Management Company S.A. may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

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 and Storebrand Global ESG Lux) 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 SKAGEN AS UK Branch to act as Facility Agent in the UK. SKAGEN's London Office is located at 15 Stratton Street, London, W1J 8LQ. The SKAGEN AS UK Branch is authorised by Finanstilsynet and subject to limited regulation by the Financial Conduct authority. Details about the extent of the authorisation and regulation by the Financial Conduct Authority are available on request. The SKAGEN AS UK Branch has temporary permission from the UK FCA to carry out its authorised activities under the UCITS Directive.

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>

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

Important Information for German Investors

The Storebrand SICAV has appointed SKAGEN AS Branch Germany to act as Information Agent in Germany. SKAGEN AS's German Office is located in Barckhausstrasse 1, 60325 Frankfurt, Germany. The SKAGEN AS Branch in Germany acts as local market representative.

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 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.

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>

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 Austrian Investors

The Storebrand SICAV has appointed Raiffeisen Bank International AG to act as Local Paying, Information and Contact Agent for the SICAV. Raiffeisen Bank International AG's offices are located at Am Stadtpark 9, 1030 Vienna, Austria.

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.at/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.at/sustainability/sustainable-investing>