

SKAGEN Global LUX B EUR

Q4 2024 Quarterly Report

All data in EUR as of 31/12/2024 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

Global equity markets rallied in the fourth quarter as now president-elect Donald Trump and the Republican Party won a resounding victory in the US elections. The American people unambiguously voted for change and gave Mr. Trump a clear mandate to improve purchasing power that has taken a hit during the high inflation seen in recent years. In our view, the incoming administration seems better prepared this time than in 2016, though many questions remain. Tariffs are top of the agenda and the jury is out whether this tool will primarily stay in the negotiation toolbox or be applied on a wider scale. While many of the supply side reforms proposed by the Trump campaign are likely to benefit the economy and may well bring down inflation (over time), the tariffs remain the wildcard that could alter the economic trajectory.

At SKAGEN Global, we are not trying to predict how the tariff game will play out, but rather focus on constructing a portfolio that is able to navigate a wide variety of macro scenarios. It is also worth remembering that the stock market is likely to make some wild gyrations during the Trump 2.0 presidency. It will be important for investors to keep emotions in check and focus on the road ahead rather than be distracted by the noise that is likely to dominate the media landscape in the medium term. There were also unexpected political developments in South Korea in Q4, when the president declared martial law for a brief period before parliament restored order. The impeachment process is ongoing, likely keeping many investors on the sidelines while the political turmoil persists. Turning our attention to the market, 2024 turned out to be another strong year for equity returns. While the US stock market posted the strongest returns, the outlier exchanges in Pakistan and Singapore actually generated the highest total return in 2024. The worst performing markets were South Korea, Mexico and Brazil. Overall, developed markets again outperformed emerging markets in 2024. SKAGEN Global only owns one stock in South Korea (Samsung Electronics) and we have no direct exposure to Mexico or Brazil. In 2024, SKAGEN Global delivered a strong absolute return but the fund still trailed the absolute return of its benchmark index MSCI AC World. The fund's absolute return is solid and far ahead of the historical average annual stock market return, but the relative performance is lagging. A significant part of the underperformance is due to the outsized return from a small number of mega-cap big tech companies that have powered the market (again) in 2024 that we have not owned. In addition, some of the fund's larger holdings have seen only modest gains in share price (despite delivering good financial results) and this weighed on the relative performance. Finally, a few turn-around holdings continued to struggle before we exited them in the year. While some of the stock picks weighed on relative performance, many of the fund's holdings also performed well. However, the incredible growth in recent years of the US Big Tech companies have given them an outsized share of the index. A decade ago, Apple was the largest constituent in the MSCI AC World index with a total weight of less than 2%, followed by a string of companies from different sectors with an individual weight of 1% or lower. At the end of 2024, Apple and Nvidia clocked in at well over 4% index weight each and the total index weight of the top-10 index constituents from the technology field equalled roughly 30%. In practice, this development means there is a large technology concentration risk in the index. But as long as the big tech machine fires on all cylinders, investors who are underweight the space will face headwinds in their relative performance. The current investment climate where the largest index constituents deliver big, even spectacular, returns, poses a dilemma for active managers that seek to provide clients with the best risk-adjusted returns. SKAGEN Global's risk management framework questions the prudence of going "all in" on the big tech Magnificent-7 and their close relatives. It is not obvious to us that putting all the eggs in the big tech basket reflects SKAGEN's long-held mantra: "The art of common sense". Chasing performance and buying exactly what everyone else buys is rarely the best long-term strategy and we generally seek a more balanced approach. SKAGEN Global's underweight in this highly concentrated sector cost the fund over 7 percentage points in relative return in 2024. We gained some back from our holdings in Alphabet (Google) and JP Morgan. The fund will continue to seek out the investments with the best risk-adjusted returns for long-term investors. We consistently challenge ourselves and our thinking in order to improve while staying true to the discipline of not automatically running with the crowd and taking on excessive concentration risk.

The fund's three best performers measured by absolute return in 2024 were JP Morgan, Brown & Brown and DSV. The US investment bank JP Morgan performed very well in 2024, delivering over 44% return measured in US dollars. With over 300,000 employees and a market cap nearing USD 700 billion, the bank continues to outperform peers. We attribute much of JP Morgan's success to its performance culture that is a magnet for high achievers, a key attribute of successful firms in the financial industry that rely on human capital as their primary competitive edge. The US insurance broker Brown & Brown, controlled by the Brown family, also posted over 44% total shareholder return in US dollar terms as it continued its journey to grow the business in the US and Europe. The Danish freight-forwarder behemoth DSV's stock price advanced nearly 30% in DKK as the company acquired the German competitor Schenker to further expand its global logistics network. Meanwhile, Dollar General, Nike and Samsung Electronics were the largest absolute detractors in 2024. The fund exited Nike before the summer and Dollar General after the summer as both retailers struggled in the fiercely competitive retail environment. Samsung Electronics finished the year poorly and the political unrest in South Korea obviously did not help.

SKAGEN Global initiated three new holdings and exited three holdings in the fourth quarter. First, we entered a new position in Thomson Reuters, the Canadian information services firm best known for its news agency Reuters. That is a relatively small part of the overall business, however, and the majority of Thomson Reuters' revenue comes from software products sold to the legal, tax and accounting professions. The stock looks both under-researched and under-valued at these levels. Second, the global retail and cloud giant Amazon joined the fund. We have followed the name for a long time and seen it gradually gobble up market share as brick-and-mortar retailers fall victim to the shift to online. Besides online retail, Amazon is the leading cloud provider and has built an impressive advertising business. It continues to explore new revenue streams, thus providing additional option value. Third, the Norwegian salmon farmer Mowi with operations around the globe joined the fund. We exited the Dutch semiconductor equipment manufacturer ASML after attending its CMD in Holland. While the equipment is highly impressive with ASML holding a virtual monopoly in the market, the new US administration is likely to clamp down much harder on China. Curtailing shipments of advanced semiconductor equipment to China limits ASML's customer base and worsens its negotiating power. Separately, the Nordic pulp and paper company Stora Enso left the fund after a brief holding period after the company reversed its decision to divest the mill in China and planned to sell its strategic forest assets in Sweden. We also sold our small remaining stake in Intuit.

It is important to remind our unitholders that the stock market goes up and down in the short term. Bloomberg's Bitcoin index is up 122% in 2024. Some big tech stocks have posted astronomical returns in US dollar terms (Nvidia 171%), more akin to what one would expect from a biotech start-up. Speculation is rife in this market environment. Speculation is also part of human nature and most people want to get rich as quickly as possible. In short, risk conditions are loose. However, SKAGEN Global stays disciplined and seeks out investment opportunities offering the best long-term risk-adjusted returns. Over time, we think this strategy will deliver a highly attractive absolute and relative performance. Even though SKAGEN Global has delivered a solid absolute return in 2024, our current analysis indicates over 40% upside in the portfolio over the next three years. Considering that both 2023 and 2024 stock markets have been very kind to those with substantial equity exposure – and a weaker year for the stock market will happen at some point – we believe our portfolio upside is very competitive in both an absolute and relative context. The investment world never offers any guarantees, but we believe the fund is prepared to face a variety of scenarios that may play out in the world of Trump 2.0 and increased geopolitical risks across the globe. Moreover, we remain vigilant about company debt levels and our largest holdings generally have conservative balance sheets. We remain committed to delivering the best risk-adjusted return and look forward to a strong 2025.

SKAGEN Global LUX B EUR Q4 2024 Quarterly Report

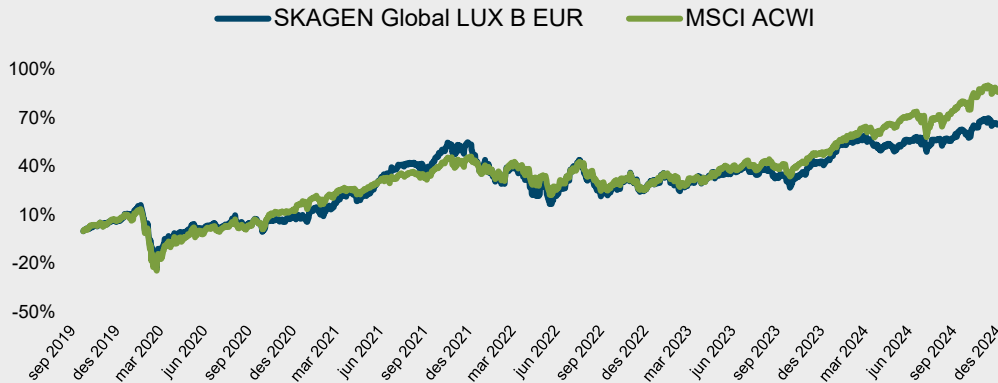
All data in EUR as of 31/12/2024 unless otherwise stated

This is marketing communication



FUND PERFORMANCE

| | Q4 2024 | 1-Year | 3-Year | Since Start |
|--------------------------------|-------------|--------------|-------------|--------------|
| SKAGEN Global LUX B EUR | 5.4% | 16.2% | 2.6% | 10.3% |
| MSCI ACWI | 6.7% | 25.3% | 8.8% | 12.7% |
| Relative Return | -1.3% | -9.1% | -6.2% | -2.4% |



As at 31/12/2024 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 | 49.6% |
| Active Share | 88% |
| Turnover ratio | 47% |
| Investment horizon ¹ | 5 years |

PERFORMANCE ATTRIBUTION²

Largest contributors ▲

| Holding | Weight | Contribution |
|--------------------------|--------|--------------|
| Alphabet Inc | 2.9% | 0.7% |
| Brunello Cucinelli SpA | 2.7% | 0.3% |
| Amazon.com Inc | 1.0% | 0.3% |
| Hermes International SCA | 2.1% | 0.3% |
| Visa Inc | 3.2% | 0.1% |

Largest detractors ▼

| Holding | Weight | Contribution |
|-------------------------------|--------|--------------|
| Waste Connections Inc | 4.3% | -0.4% |
| Brown & Brown Inc | 3.5% | -0.3% |
| Home Depot Inc/The | 3.2% | -0.3% |
| Marsh & McLennan Cos Inc | 3.6% | -0.3% |
| Intercontinental Exchange Inc | 4.4% | -0.2% |

PORTFOLIO INFORMATION

| | COUNTRY EXPOSURE ³ | |
|----------------|-------------------------------|-----------|
| | Fund | Benchmark |
| United States | 55.3% | 65.4% |
| Canada | 18.2% | 2.8% |
| Denmark | 5.0% | 0.6% |
| Netherlands | 3.0% | 1.1% |
| United Kingdom | 3.6% | 3.1% |
| Germany | 3.4% | 1.9% |
| Korea | 2.3% | 0.9% |
| Italy | 2.8% | 0.5% |
| France | 2.2% | 2.2% |
| Ireland | 1.2% | 0.9% |

| | SECTOR EXPOSURE | |
|------------------------|-----------------|-----------|
| | Fund | Benchmark |
| Materials | 0.0% | 3.5% |
| Industrials | 23.2% | 10.2% |
| Financials | 44.4% | 16.8% |
| Consumer Discretionary | 12.7% | 11.3% |
| Information Technology | 6.6% | 26.0% |
| Communication Services | 5.5% | 8.2% |
| Consumer Staples | 1.0% | 5.9% |
| Energy | 0.0% | 3.8% |
| Health Care | 5.5% | 9.7% |
| Real Estate | 0.0% | 2.0% |

| TOP 10 HOLDINGS | |
|---------------------------|-------|
| CANADIAN PACIFIC KANSAS | 6.5% |
| ABBOTT LABORATORIES | 5.5% |
| ALPHABET INC COMMON STOCK | 5.5% |
| MOODY'S CORP COMMON | 5.1% |
| DSV A/S COMMON STOCK DKK | 5.0% |
| JPMORGAN CHASE & CO | 4.7% |
| TMX GROUP LTD COMMON | 4.6% |
| INTERCONTINENTAL EXCHANGE | 4.3% |
| MSCI INC COMMON STOCK USD | 4.3% |
| MASTERCARD INC COMMON | 4.1% |
| Combined Weight | 49.6% |

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

SKAGEN Global LUX B EUR

Q4 2024 Quarterly Report

All data in EUR as of 31/12/2024 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 31.12.2024.

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>

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, 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.

In the United Kingdom, this communication is issued by Storebrand Asset Management UK Ltd ("SAM UK") and approved by Robert Quinn Advisory LLP, which is authorised and regulated by the UK Financial Conduct Authority ("FCA"). SAM UK is an Appointed Representative of Robert Quinn Advisory LLP.

This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase of any financial instrument. SAM UK neither provides investment advice to, nor receives and transmits orders from, persons to whom this material is communicated, nor does it carry on any other activities with or for such persons that constitute "MiFID or equivalent third country business" for the purposes of the FCA Rules. All information provided is not warranted as to completeness or accuracy and is subject to change without notice. This communication and any investment or service to which this material may relate is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules and other persons should not act or rely on it. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

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 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/>