

# LO Funds – Circular Economy Seed, (USD) I Fact Sheet (marketing document)

Sustainable Equities • Equities

31 January 2025

## FUND FACTS

Domicile/Legal structure	Luxembourg/SICAV
Legal Status	UCITS
Fund inception date	16 November 2020
SFDR Classification	Article 8
Currency of Fund	USD
Currency of share class	USD
Fund manager	C. Walsh, A. Donets
Net assets (all classes)	USD 278.93 million
Liquidity (sub./red.)	daily, 15:00
Min. investment	CHF 1'000'000 or eq
Entry/Exit fees	0.00% / 0.00%
Management fee	0.375%
Distribution fee	0.00%
FROC	0.21%
Ongoing charge (31 December 2024)	0.59%
TER max (30 September 2024)	0.59%

## RISK AND REWARD PROFILE

1	2	3	4	5	6	7
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Low High

This summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

<b>CODES</b>	Class A
ISIN	LU2212484146
Bloomberg	LONCIAU LX
Telekurs	56336089
NAV	USD 11.83

## FISCAL INFORMATION

UK - Reporting Status	No
DE - Investment-steuer-gesetz (InvStG)	Equity Fund

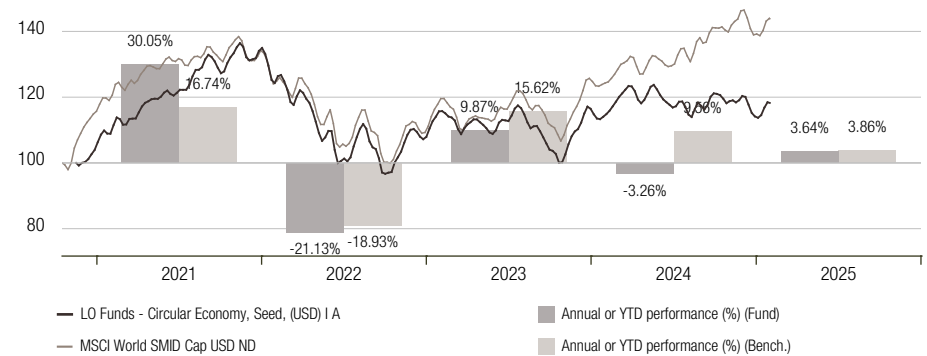
## RATINGS

Morningstar Rating	★★★★★
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## HIGHLIGHTS

LOF - Circular Economy is actively managed in reference to the MSCI World SMID Cap TR ND Index. It invests in equity issued by companies worldwide (including Emerging Markets) whose growth will benefit from regulations, innovations, services or products favoring the transition to a more circular economy and to an economy that values natural capital. It seeks to invest in high quality companies with sustainable financial models, business practices and business models showing resilience and the ability to evolve and benefit from long term structural trends using LOIM proprietary ESG and Sustainability Profiling tools and methodologies. The investment approach is based on a high conviction stock picking process. As part of its Emerging Market exposure, the Sub-Fund may invest up to 20% of its net assets in shares issued by mainland China-incorporated companies (including China A-Shares). The Investment Manager is authorized to use financial derivative instruments for hedging purposes or for EPM but not as part of the investment strategy.

## NET CUMULATIVE PERFORMANCE AND ANNUAL PERFORMANCE IN USD Oct 16, 2020 - Jan 31, 2025



Past performance does not predict future returns. Performances are displayed net of all costs except any entry and exit fees. Please refer to the cost section. Performance is subject to taxation which depends on the personal situation of each investor and may change in the future. Returns may increase or decrease as a result of currency fluctuations.

NET PERFORMANCE IN USD	Cumulative		Annualized	
	Fund	Bench.	Fund	Bench.
YTD	3.64%	3.86%	-	-
YTD	-3.26%	9.56%	-	-
1 month	3.64%	3.86%	-	-
3 months	1.17%	3.88%	-	-
1 year	4.44%	15.99%	-	-
3 years	-4.95%	15.19%	-1.67%	4.79%
Total return (since 16.10.2020)	18.25%	-	4.04%	-

STATISTICS 16.10.2020 - 31.01.2025	Fund	Bench.	Fund
Annualised volatility	17.56%	-	58
Sharpe ratio	0.05	-	
Max. drawdown	-30.10%	-	
Correlation		0.879	
Tracking error		8.94%	

**MONTHLY RETURNS**

IN %	2020		2021		2022		2023		2024		2025	
	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.	Fund	Bench.
January			1.4	0.7	-8.6	-7.4	8.0	8.8	-4.0	-1.9	3.6	3.9
February			4.5	4.3	-0.7	-0.3	-2.4	-2.4	5.2	3.6		
March			2.7	2.2	-1.2	1.1	0.8	-1.7	4.3	4.0		
April			3.3	4.2	-7.2	-7.7	-1.1	0.2	-4.4	-4.7		
May			3.5	1.2	-2.4	-0.1	-5.3	-3.0	1.8	3.6		
June			-0.4	0.3	-9.5	-10.0	6.7	6.2	-3.6	-1.7		
July			4.0	0.3	9.1	8.6	4.0	4.6	1.7	5.6		
August			4.2	2.5	-4.1	-3.4	-4.9	-3.6	0.3	1.7		
September			-4.0	-3.5	-9.1	-10.3	-6.8	-4.9	2.7	2.2		
October		-5.1	4.9	4.1	7.8	7.5	-4.8	-5.7	-4.4	-2.6		
November	-0.5	14.8	-2.1	-4.1	7.3	7.0	10.1	9.8	3.1	6.2		
December	5.1	6.1	5.0	3.9	-2.4	-3.2	7.2	8.3	-5.3	-5.8		
<b>Year</b>	<b>4.7</b>	<b>15.5</b>	<b>30.1</b>	<b>16.7</b>	<b>-21.1</b>	<b>-18.9</b>	<b>9.9</b>	<b>15.6</b>	<b>-3.3</b>	<b>9.6</b>	<b>3.6</b>	<b>3.9</b>

The following risks may be materially relevant but may not always be adequately captured by the synthetic risk indicator and may cause additional loss:

**Concentration risk:** To the extent that the fund's investments are concentrated in a particular country, market, industry, sector or asset class, the fund may be susceptible to loss due to adverse occurrences affecting that country, market, industry, sector or asset class.

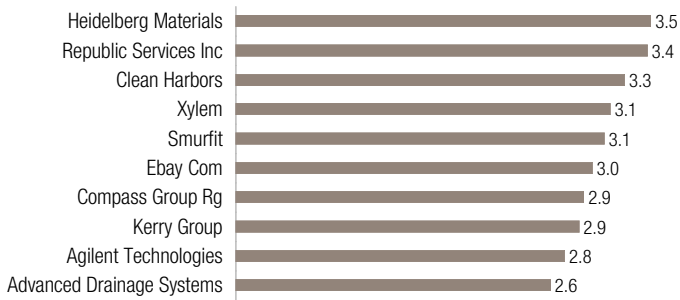
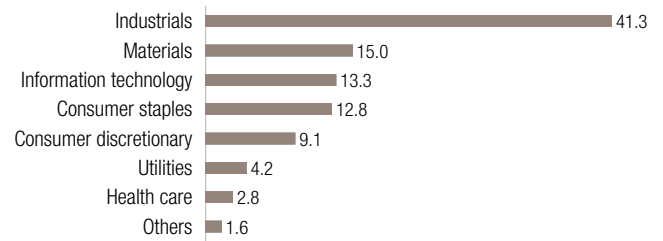
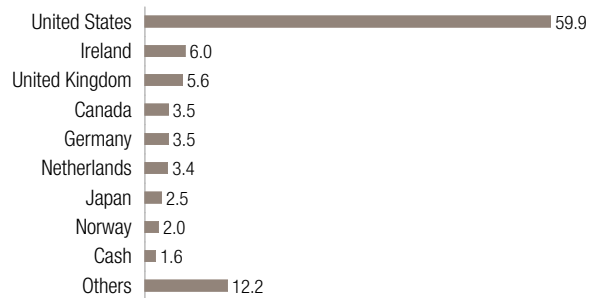
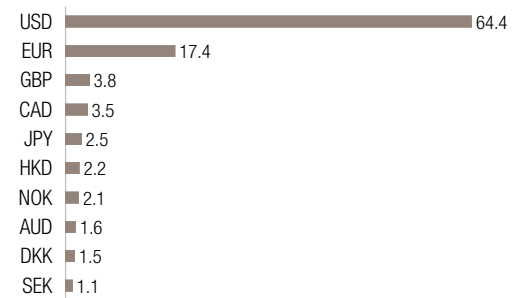
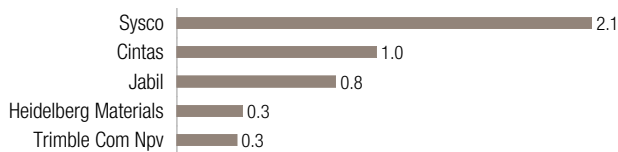
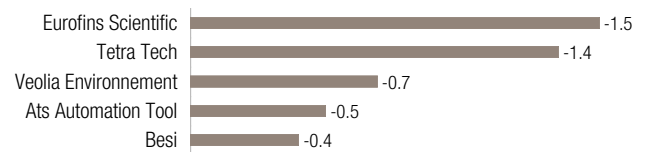
**Emerging market risk:** Significant investment in emerging markets may expose to difficulties when buying and selling investments. Emerging markets are also more likely to experience political uncertainty and investments held in these countries may not have the same protection as those held in more developed countries.

**Active management risk:** Active management relies on anticipating various market developments and/or security selection. There is a risk at any given time that the fund may not be invested in the highest-performing markets or securities. The fund's net asset value may also decline.

Before taking any investment decision, please read the latest version of the prospectus, the articles of incorporation, the Key Information Documents (KIDs) and the latest annual report and semi-annual report. Please pay attention to the Appendix B "Risk Factors Annex" of the prospectus.

Incorporation of extra-financial risks into the investment decision process may result in underweighting of profitable investments from the sub-fund's investment universe and may also lead the management of the sub-fund to underweight investments that will continue to perform. Sustainability risks may lead to a significant deterioration in the financial profile, profitability or reputation of an underlying investment and may therefore have a significant impact on its market price or liquidity.

The Fund has been classified as a financial product subject to Article 8 of Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial sector (the "SFDR"). The Fund promotes, among other characteristics, environmental or social characteristics, or a combination of those characteristics, provided that the companies in which the investments are made follow good governance practices.

**TOP 10 (IN %)****SECTORS (IN %)****COUNTRIES (IN %)****CURRENCIES (IN %)****INCREASED (SECURITIES)****REDUCED (SECURITIES)**

## GLOSSARY

**Credit Ratings:** The credit ratings breakdown mentioned for convertible funds is a blend of ratings performed internally as well as ratings provided by external sources.

**Risk and Reward Profile:** This summary risk indicator (SRI) is a guide to the level of risk of this product compared to other products. Where there are less than 5 years worth of data, missing returns are simulated using an appropriate benchmark. The SRI may change over time and should not be used as an indicator of future risk or returns. Even the lowest risk classification does not imply that the Sub-Fund is risk-free or that capital is necessarily guaranteed or protected.

**Total Expense Ratio (TER):** The total fees involved in managing and operating a fund. The TER included the annual management fee and other charges, for example legal, admin, and audit costs (source: annual audited reports or semi annual non audited reports). The Total Expense Ratio (TER) is calculated twice per year and is subject to change between calculation dates.

**OGC:** The OGC (Ongoing Charge) refers to the recurring charges levied on the assets of a fund in the context of PRIIP KIDs. These charges include all expenses necessary for the operation of the fund, such as manager remuneration, depository fees, accounting and audit costs, as well as other administrative costs. However, they exclude certain costs such as entry and exit fees, performance fees.

**Volatility:** A statistical measure of the fluctuations of a security's price. It can also be used to describe fluctuations in a particular market. High volatility is an indication of higher risk.

**Sharpe Ratio:** A measure of risk-adjusted performance. The higher the ratio, the better risk-adjusted performance has been.

**Drawdown:** A draw down is usually quoted as the percentage between the peak and trough of an investment during a specific period. It can help to compare an investment's possible reward to its risk.

**Correlation:** Correlation is a measure of how securities or asset classes move in relation to each other. Highly correlated investments tend to move up and down together while investments with low correlation tend to perform in different ways in different market

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conditions, providing investors with diversification benefits. Correlation is measured between 1 (perfect correlation) and -1 (perfect opposite correlation). A correlation coefficient of 0 suggests there is no correlation.

**Tracking Error:** A measure of how closely an investment portfolio follows the index against which it is benchmarked.

**Bond Floor:** The lowest value that convertible bonds can fall to, given the present value of the remaining future cash flows and principal repayment. The bond floor is the value at which the convertible option becomes worthless because the underlying stock price has fallen substantially below the conversion value.

**Delta:** The ratio comparing the change in the price of the underlying asset to the corresponding change in the price of a derivative.

**Premium:** If a fixed-income security (bond) is purchased at a premium, existing interest rates are lower than the coupon rate. Investors pay a premium for an investment that will return an amount greater than existing interest rates.

**Yield to Maturity:** The rate of return anticipated on a bond if it is held until the maturity date.

**Coupon:** The interest rate stated on a bond when it's issued.

**Modified Duration:** This formula is used to determine the effect that a 100-basis-point (1%) change in interest rates will have on the price of a bond.

**Average Duration:** The average modified duration of the portfolio expressed in years.

**Expected Loss:** Annual average expected loss to the portfolio expressed in percent.

**Attachment Point:** The modelled probability of a negative portfolio return in any given year.

**FROC (Fixed Rate of Operational Costs):** It cover the Operational Costs directly incurred by the Company ("Direct Costs") and those resulting from the activities carried out by the Management Company on behalf of the Company ("Fund Servicing Costs").

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#### Access to documents in country of registrations:

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This Fund is classified as Article 8 under the Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on Sustainability-Related Disclosures in the Financial Services Sector ("SFDR"). A Summary of the sustainable website product disclosure is available in English in the "Sustainability-related Disclosure" section of the website fund page on "[www.loim.com](http://www.loim.com)". Methodological limits: Assessment of sustainability risks is complex and may be based on ESG data which is difficult to obtain and incomplete, estimated, out of date or otherwise materially inaccurate. Even when identified, there can be no guarantee that these data will be correctly assessed.

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The Fund is currently notified for marketing into a number of jurisdictions. The Management Company may decide to terminate the arrangements made for the marketing of the Fund at any time using the process contained in Article 93a of the UCITS Directive.

When the Fund is registered in the following jurisdictions, it is represented by the following Representatives:

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Morningstar stars: The star rating is based on risk-adjusted performance. A fund must have a record of more than three years. Star ratings are graded on a curve: the top 10% of funds receive five stars, the next 22.5% receive four stars, the middle 35% receive three stars, the next 22.5% receive two stars and the bottom 10% get one star. A rating alone is an insufficient basis for an investment decision. A rating is drawn for illustration purposes only and is subject to change. It is not a recommendation to invest in the Fund. It does not predict future performance of the Fund. There is no guarantee that the investment objective of the Fund will be reached.

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