

# SKAGEN Vekst

## A Nordic and Global Equity Fund

SKAGEN Vekst is an actively managed portfolio which combines undervalued Nordic and global companies. The fund is managed by Søren Milo Christensen and Sondre Solvoll Bakketun.

### Investment Strategy

Nordic countries contain some of the world's best-managed companies. Corporate governance and business practices are often market-leading while levels of protection for minority shareholders and transparency are generally very high. However, the Nordic investment universe is relatively small and the fund's broad mandate allows up to half of its assets to be invested in companies listed outside of the region. This global flexibility also helps to diversify portfolio risk away from the Nordic region.

The fund is actively managed, consistent with SKAGEN's investment philosophy. The portfolio managers are benchmark agnostic and their value-based strategy is to find attractively priced companies with clearly identifiable catalysts for a revaluation. These businesses may be out of favour (often due to short-term market noise) but where changes, either internally or in the operating environment, will improve their fundamental outlook.

The portfolio managers target companies with a margin of safety and possessing clear, coherent and realistic triggers to drive a share price re-rating. This approach creates a portfolio tilted towards classic value stocks with a focus on capital return. Holdings must have both downside protection and upside potential based on their core earnings, cash flow growth and / or cost restructuring.

### Portfolio Characteristics

The concentrated portfolio typically contains 40-60 holdings with the top 35 positions representing 70-90 percent of assets. The fund has a bias towards mid / large cap companies with select high-conviction small cap ideas. The portfolio's geographic exposure is typically balanced 50:50 between Nordic stocks and those listed outside the region.

The fund managers also target diversification across different sectors in order to manage portfolio risk. The investment horizon is typically a minimum of 3-5 years but can be significantly longer as the portfolio managers attach greater value to fundamentals than short-term trends.

\* All information as at 31 December 2024

<sup>1</sup> Benchmark prior to 1 January 2014 was 50% Oslo Stock Exchange Benchmark Index (OSEBX) / 50% MSCI All Country World Index. Benchmark prior to 1 January 2010 was 100% OSEBX

<sup>2</sup> Percentage of stocks in the portfolio that differs from the benchmark index

<sup>3</sup> Portfolio turnover is calculated by taking either the total amount of new securities purchased or the amount of securities sold (whichever is less) over the previous 12-month period, divided by the total net asset value (NAV) of the fund



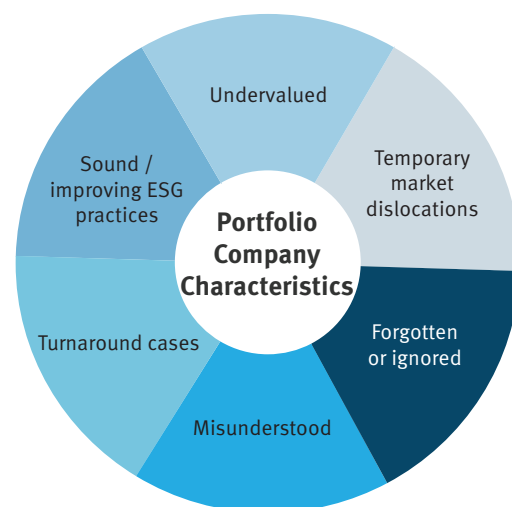
### Fund Strategy

Portfolio managers	Søren Milo Christensen Sondre Solvoll Bakketun
Equity strategy	Nordic / Global
Benchmark	50% MSCI AC World Index 50% MSCI Nordic IMI Index <sup>1</sup>
No. of holdings	40-60
Active Share <sup>2</sup>	89%
Market cap bias	Mid / large
Investment horizon	3-5 years+
Portfolio turnover ratio <sup>3</sup>	24%
Launch date	1 December 1993

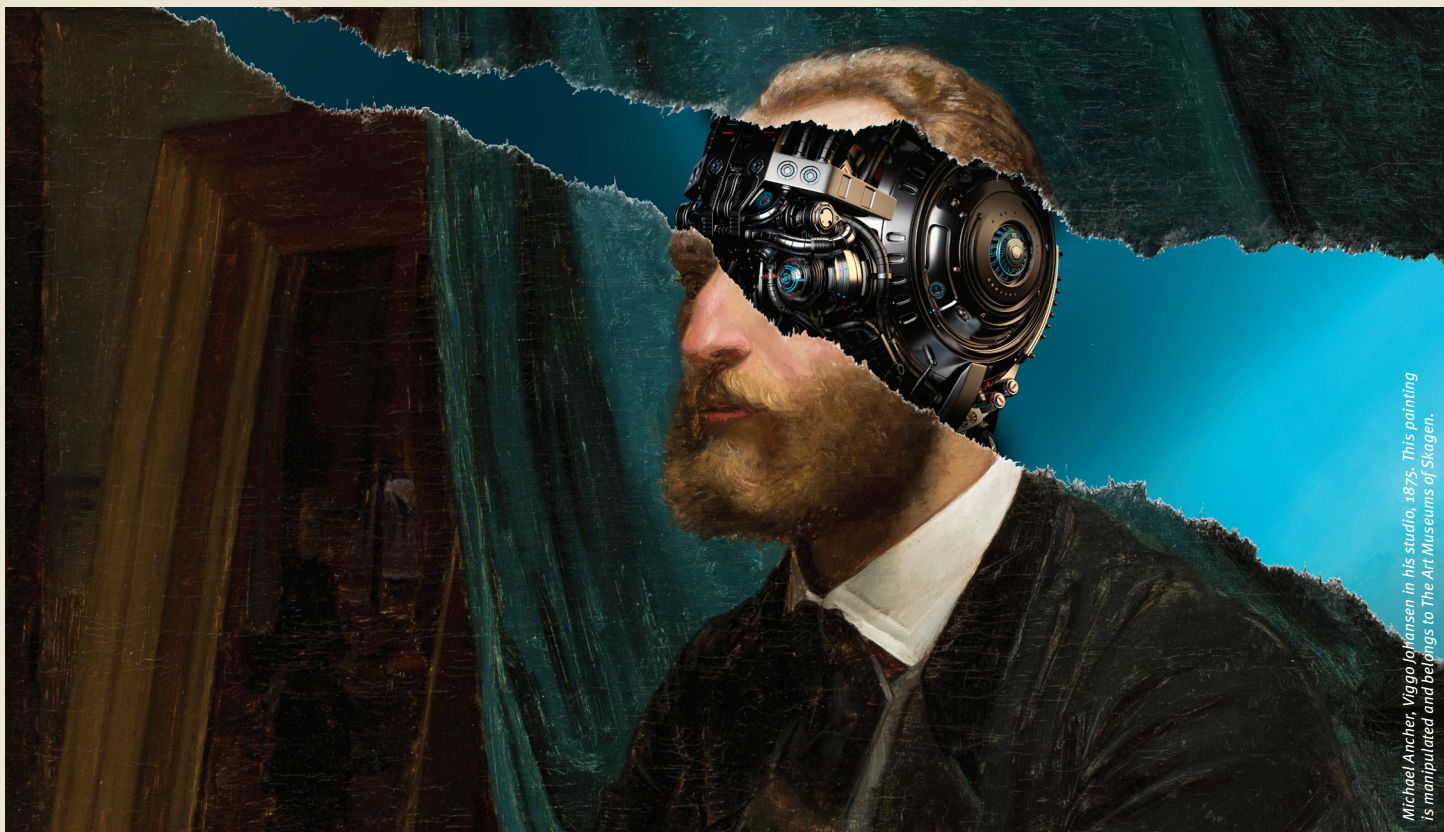
### Portfolio Managers



Søren Milo Christensen & Sondre Solvoll Bakketun



Painting: Einar Hein, Beach cyclists, 1894. This painting is manipulated and belongs to The Art Museums of Skagen.



Michael Ancher, Viggo Johansen in his studio, 1875. This painting is manipulated and belongs to The Art Museums of Skagen.

# Investment Philosophy

**SKAGEN's investment philosophy is centred on active, value-based fund management; a combination we believe ensures the best results for clients.**

SKAGEN portfolio managers aim to outperform the broader stock market, enabled by unconstrained mandates and the freedom to invest with conviction in their best ideas. They are agile when selecting the companies with the greatest potential to create value and how it can be achieved. We also believe that engagement with companies is key to delivering sustainable risk-adjusted returns.



## Value

All SKAGEN portfolio managers invest bottom-up by selecting the companies they believe will deliver the most value for clients. Investment decisions are based on detailed analysis and deep knowledge of companies, irrespective of their inclusion or position in an index. We strive to beat the market and create portfolios that diverge from conventional benchmarks to achieve this.

- **Unconstrained:** Unconstrained mandates give us the freedom to search for the best opportunities from across the globe. They also enable us to create diversified portfolios by geography, sector and investment theme to control risks for clients.
- **Conviction:** We are high conviction investors who build concentrated portfolios of our best ideas. We act quickly and decisively when price targets are reached, or if an investment case deteriorates, and redeploy capital into more attractive ideas to optimise the funds' returns.



## Active

We invest in companies whose assets or earnings potential isn't fully reflected in their share price and take a broad view of value creation. Portfolio managers typically identify businesses with clear catalysts to correct their mispricing and those with an underappreciated ability to compound value over time.

- **Agility:** We often look beyond traditional metrics to uncover value hidden on company balance sheets or within revaluation triggers. Agile thinking can also lead us to businesses whose intrinsic earnings capacity or growth potential is underestimated by the market.
- **Engagement:** Releasing value can require engagement and patience to maximise long-term results. We are active owners and engage with our portfolio companies on key business, financial, environmental, social and governance issues, using performance indicators to drive sustainable returns and revaluation over time.



## History

SKAGEN was originally founded in Stavanger, Norway in 1993 with the goal of generating long-term growth for clients' assets. From investing solely on behalf of friends and family, SKAGEN grew into a leading Scandinavian fund manager with a broad European footprint.

SKAGEN became part of Storebrand Asset Management (SAM) in 2017 and subsequently merged into SAM in November 2023. As part of the merger, SKAGEN Funds are now owned and administered by SAM which has outsourced their management to a newly established legal entity - named SKAGEN AS - an investment firm that operates as an independent boutique with its own Board.

The portfolio managers have significant co-investment in the SKAGEN Funds. This serves to align interest with clients, and SKAGEN is committed to maintaining its culture of independent thinking and high performance.



[www.skagenfunds.com](http://www.skagenfunds.com)

### IMPORTANT INFORMATION

This is a marketing communication. Except otherwise stated, the source of all information is Storebrand Asset Management AS. 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 depend on the individual circumstances of each investor and may imply the payment of additional taxes. Before any investment is made in the 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 Asset Management AS is a management company authorised by the Norwegian supervisory authority, Finanstilsynet, for the management of UCITS under the Norwegian Act on Securities Funds and has its registered office at Professor Kohts vei 9, 1366 Lysaker, Norway. Storebrand Asset management AS is part of the Storebrand Group and owned 100% by Storebrand ASA. Storebrand Group consists of all companies owned directly or indirectly by Storebrand ASA.

Following the merger of Storebrand Asset Management AS and SKAGEN AS, SKAGEN's portfolio team will continue to manage the funds' portfolios from the new separate legal entity, SKAGEN AS, while Storebrand Asset Management AS carries out the role of the management company.

No offer to purchase units can be made or accepted prior to receipt by the offeree of the 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.

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/>. The investor rights summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

Storebrand Asset Management AS may terminate arrangements for marketing under the Cross-border Distribution Directive denotification process.

For further information about sustainability-related aspects of the Fund, including the sustainability disclosure summary in English, please refer to: <https://www.skagenfunds.com/sustainability/sustainable-investing/>. The sustainability disclosure summary is available in all languages of the countries where the fund is registered with the national Financial Services Authority. Please refer to SKAGEN's webpages and choose your respective country for this information.

The decision to invest in the Fund should take into account all the characteristics or objectives of the Fund as described in its prospectus.

#### Important information for UK Investors

Storebrand Asset Management AS has established a subsidiary in the UK. Storebrand Asset Management UK Ltd. is located at 15 Stratton Street, London, W1J 8LQ. Storebrand Asset Management UK Ltd is an Appointed Representative of Robert Quinn Advisory LLP, which is authorised and regulated by the Financial Conduct Authority. Storebrand Asset Management UK Ltd is incorporated in England and the registered office is at 15 Stratton Street, London, England, W1J 8LQ. The investment products and services of Storebrand Asset Management UK Ltd are only available to professional clients and eligible counterparties. They are not available to retail clients. For more information, please contact Storebrand Asset management UK Ltd.'s team.

#### Important Information for Luxembourg Investors

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com). For Facilities Services information please refer to our webpages.

#### Important Information for Irish Investors

For more information, please contact SKAGEN's Stavanger based International team: [international@skagenfunds.com](mailto:international@skagenfunds.com). For Facilities Services information please refer to our webpages.

#### Important Information for Dutch Investors

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com). For Facilities Services information please refer to our webpages.

#### Important Information for Icelandic Investors

For more information, please contact SKAGEN's Stavanger based international team: [international@skagenfunds.com](mailto:international@skagenfunds.com). For Facilities Services information please refer to our webpages.

#### Important Information for French Investors

Pour plus d'informations, veuillez contacter l'équipe internationale de SKAGEN basée à Stavanger: [international@skagenfunds.com](mailto:international@skagenfunds.com). Pour des informations sur les services d'infrastructure, veuillez vous référer à [www.skagenfunds.fr](http://www.skagenfunds.fr).

#### Important Information for German Investors

Bei der Entscheidung, in den Fonds zu investieren, sollten alle Merkmale oder Ziele des Fonds, wie sie in seinem Prospekt beschrieben sind, berücksichtigt werden <https://www.skagenfunds.de/funds>.  
Kontakt: [international@skagenfunds.com](mailto:international@skagenfunds.com)



**SKAGEN**

Part of Storebrand

The art of common sense