

Carnot Efficient Energy

February 2024

Rolf Helbling / Andres Gujan, March 4, 2024

The net asset value rose by 3% in CHF and 1% in EUR in February. Schneider Electric, AFRY and the US stocks Chart Industries, Hubbell and Cummins posted double-digit gains. On the other hand, some construction and automotive suppliers (Nibe, Instalco, Ems, LEM, X-Fab) fell significantly. Positions in the renewable energy sector (BKW, Energiekontor, Verbio) also recorded price declines. After a good share price performance, we reduced Schneider Electric, Andritz and Nemetschek. On the other hand, we increased some positions in construction suppliers: Although new construction activity will only recover slowly, the outlook in the renovation market is already brightening. Due to the strong valuation correction of the past two years, we see considerable upside potential here.

There's something in the air

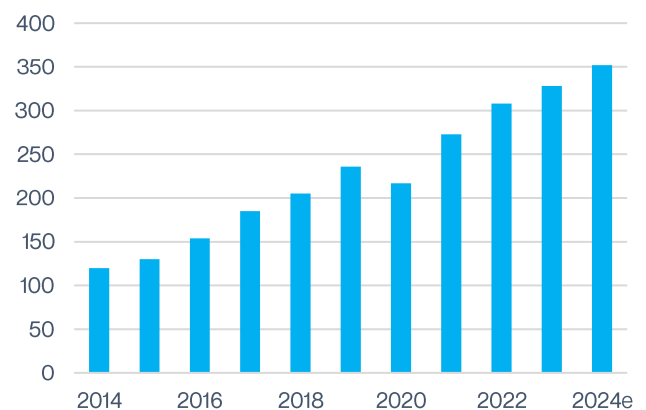
The coronavirus pandemic has raised awareness of the problem of poor air quality in living and working spaces. Moisture, pollutants, CO2 and even pathogens often accumulate in buildings, especially in energy-efficient buildings with a tight envelope. Controlled ventilation provides a remedy. Many advantages (fresh air, less outside noise, no risk of mold) are offset by higher investment costs. However, these pay for themselves through savings in energy costs; the amortization period is between a few months and a few years, depending on the application.

Ventilation as a growth market

It is therefore not surprising that ventilation technology is a growth market. Increasing awareness of environmental issues is driving demand for innovative solutions. Companies and private individuals alike are increasingly investing in technologies such as efficient heating, ventilation and air conditioning (HVAC) systems. The integration of intelligent control systems enables precise adaptation to individual needs, which further reduces energy consumption.

Increasing urbanization is further driving the need for advanced air conditioning technology. The market therefore not only offers ecological advantages, but also holds great economic potential for companies with innovative solutions. Ventilation technology as a growth market reflects the two megatrends of 'focus on environmental sustainability' and 'resource efficiency'.

Sales Growth of Volution (GBP mns)



Volution was able to increase sales by 11% p.a. and already sells two thirds of its products to the renovation market.

Source: Volution

Volution

Ventilation has always been a prominent theme in the Carnot portfolio. Last year, we bought shares in Volution for the first time, an English "pure play" with an impressive track record: 11% growth p.a. over 10 years with a consistently high operating margin of mostly over 20%. Volution has successfully expanded its business to continental Europe and Scandinavia and is now benefiting from efforts to make homes more comfortable, healthier and more energy efficient.

Did you know?

In 1902, Wilhelm II introduced the sparkling wine tax to finance the imperial navy. The empire and the navy perished, but the tax has survived to the present day.

Source: [Wikipedia](#)

Carnot Efficient Energy Fund (CHF)

Factsheet February 2024

Fund Description

Carnot Efficient Energy is an impact equity fund that invests in European companies with energy-efficient products and technologies. In addition to the financial return, the investments generate a measurable positive impact on the environment and society. The fund follows a quality approach and invests in established, profitable and solidly financed companies. Special attention is paid to management quality and return on capital employed (ROCE). The fund invests in listed equities and equity-like securities and may use derivatives for hedging purposes.

Carnot Capital AG is a pioneer in impact investing. The firm was founded in 2007 by portfolio managers Rolf Helbling and Andres Gujan and is supervised by the Swiss FINMA.

SFDR
Article 9
Fund

General Information

Umbrella Fund	Multiflex SICAV
Domicile	Luxembourg
Legal Form	UCITS, SICAV
Public Distribution	AT, CH, DE, LI, SE
Investment Manager	Carnot Capital AG, Bâch SZ
Portfolio Manager	Andres Gujan, Rolf Helbling
Custody / Administration	State Street Bank
Launch	November 15, 2007
Subscription / Redemption	daily / daily
Currencies	CHF, EUR
Performance Fee	10% from a 5% hurdle (HWM)
CO ₂ Intensity Fund	47 tCO ₂ per EUR mn revenue
CO ₂ Intensity MSCI World Index	127 tCO ₂ per EUR mn revenue

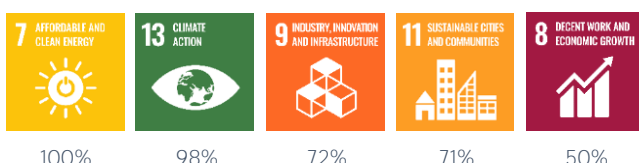
Key Data

Volatility	19.6% (daily data, 3 years)
Beta	0.9 (vs. Stoxx 600 TR)
Information Ratio	0.11 (vs. Stoxx 600 TR)
Perf. since Launch	45.5% (CHF)
Fund Size	105.1 CHF mn

Largest Positions

Name	Country	Sector	ROCE	Weight
Schneider El.	FR	Industry	>50%	5.9%
Hubbell	US	Building Technology	>50%	5.1%
Andritz	AT	Industry	>50%	4.7%
Belimo	CH	Building Technology	34%	4.5%
ABB	CH	Industry	>50%	4.4%

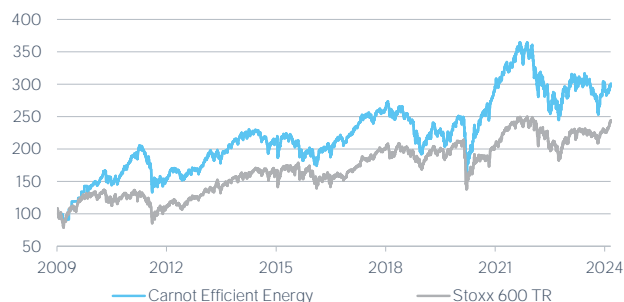
Portfolio Contribution to the SDGs



Net Asset Value (NAV) as of February 29, 2024

Share Class C (Retail)	CHF 1,912.91
Share Class D (Institutional)	CHF 1,454.53

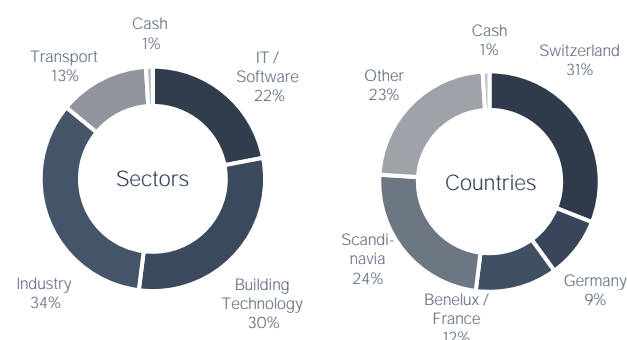
Indexed Performance since January 1, 2009 (CHF)



Performance in % (CHF)

	Fund	Stoxx 600 TR
1 month	3.3%	4.4%
3 months	5.2%	7.6%
YTD	-1.4%	6.4%
2023	7.2%	8.9%
2022	-21.6%	-15.0%
2021	21.7%	19.8%
2020	18.8%	-2.3%
2019	25.5%	22.3%
5 years	35.2%	26.2%
10 years	31.5%	49.1%
since Launch	45.5%	23.3%

Portfolio Structure



Fund Classes

Name	ISIN	Minimum	Management Fee
C CHF	LU0330110163	-	1.2%
C EUR	LU0330114827	-	1.2%
D CHF	LU0330108852	1 mn	0.9%
D EUR	LU0330111302	1 mn	0.9%