

# SEMESTER REPORT

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SUSE 2025

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ESG MILLENNIUM  
FUND

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## **Our Mission**

*“Our mission is to go beyond the theoretical financial concepts of the classroom and create a community of students that share a strong passion for investment management and are dedicated to apply their knowledge in our virtual funds”*

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## Foreword

Dear Reader,

As we conclude this semester, it's clear that 2025 so far has been a period of both learning and achievement for the ESB Capital Student Funds. Economic uncertainty, fluctuating market sentiment, and sector-specific challenges have tested our ability to make sound investment decisions in a dynamic environment. Despite these headwinds, our team has continued to grow and adapt, showing strong analytical thinking, teamwork, and a commitment to responsible investing.

This semester was marked by an impressive level of engagement from both Fund Managers and Analysts. Whether it was screening stocks, presenting investment ideas, or managing portfolios on wikifolio, each member contributed to the continued success and high standards of ESB Capital. The decisions outlined in this report reflect not only market conditions, but also the rigorous preparation and thoughtful collaboration behind every investment.

As always, our goal goes beyond portfolio performance. ESB Capital is a place to connect theory with practice, develop leadership skills, and build relationships with like-minded students who share a passion for finance.

For those considering joining ESB Capital, I strongly encourage you to apply. Whether as an Analyst or a Manager, you will find opportunities to challenge yourself, grow professionally, and contribute meaningfully to a unique and ambitious student initiative.

As financial markets continue to evolve, I am confident that ESB Capital will remain a place for innovation, development, and lasting impact. The lessons learned this semester will stay with our members well beyond their time at university.

Warm regards,

Tamara Dietz

Head of ESB Capital

## Team



**Philipp Wolter**  
Fund Manager



**Moritz Mohrlok**  
Fund Manager



**Deborah Burgsmüller**  
Analyst



**Jacob Eid**  
Analyst

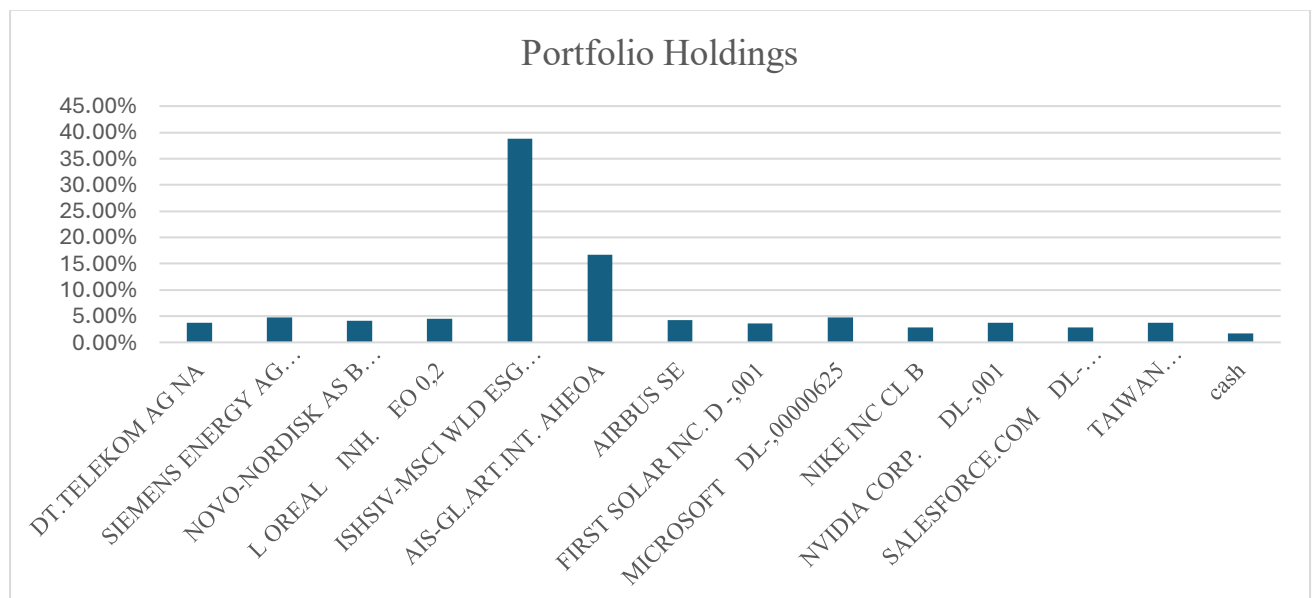


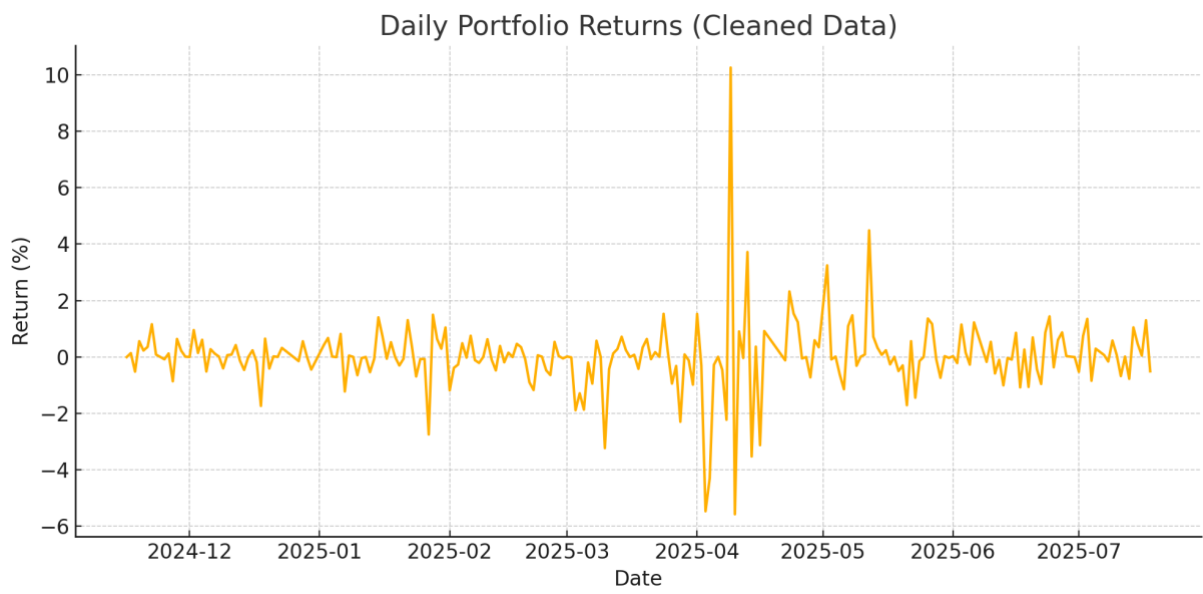
**Johanna Gaukel**  
Analyst



**Nicolina Schaeffgen**  
Analyst

## Performance and Holdings





## Stock Highlights

### Deutsche Telekom (Johanna Gaukel)

Deutsche Telekom is one of the largest telecommunications providers worldwide, headquartered in Bonn, Germany. With operations in over 50 countries and a market-leading position in its home market, the company has built a strong foundation for both growth and stability. Its U.S. subsidiary, T-Mobile US, has become the second-largest mobile network operator in the United States, significantly contributing to the group's global presence and profitability.

We decided to invest in Deutsche Telekom because of its resilience in volatile markets and its reliable cash flows, which make it a defensive yet strategically valuable addition to our portfolio. The telecommunications sector is known for its resistance to economic cycles, and Deutsche Telekom stands out due to its operational efficiency and successful international expansion. Its strong ESG practices, including energy-efficient network infrastructure, digital inclusion efforts, and transparent governance, align with our fund's criteria. In our view, Deutsche Telekom offers a rare combination of scale, reliability, and ESG progress within a highly regulated and essential industry.

## **Novo Nordisk (Deborah Burgsmüller)**

Novo Nordisk is a global healthcare company based in Denmark, specialized in treatments for diabetes, obesity, and other serious chronic conditions. With a commanding market share and innovative drug pipeline, particularly in GLP-1-based therapies, the company has established itself as one of the world's most influential pharmaceutical players. It operates in more than 80 countries and has demonstrated consistent growth across key financial and ESG metrics.

We included Novo Nordisk in our portfolio because it exemplifies how a healthcare company can create both social impact and shareholder value. The global rise of obesity and diabetes presents a massive unmet medical need, and Novo Nordisk's leadership in this field gives it a long-term structural advantage. From an ESG standpoint, the company is committed to 100% renewable energy in production, ethical clinical trials, and equitable access to medicine in developing markets. Financially, it offers high margins, a robust innovation pipeline, and strong geographic diversification. We believe Novo Nordisk represents a highly scalable and mission-driven investment in the future of global health.

## **L'Oreal (Johanna Gaukel)**

L'Oréal is a world-leading cosmetics and personal care company headquartered in France. With brands across every price segment – ranging from Garnier and Maybelline to Lancôme and Yves Saint Laurent – L'Oréal operates in more than 150 countries and has maintained a strong focus on innovation and digital transformation. The company is particularly strong in the luxury and dermo-cosmetics sectors, where demand remains resilient.

We chose L'Oréal because it blends strong financial fundamentals with a clear commitment to sustainability. The company has implemented ambitious ESG programs, including recyclable packaging, responsible ingredient sourcing, and gender equality in leadership. These initiatives are not only marketing tools – they are embedded in the company's operational strategy and contribute to long-term brand value. While the beauty industry can be sensitive to regional demand shifts, L'Oréal's scale, digital agility, and premiumization strategy provide resilience. We view L'Oréal as a model of how consumer-facing companies can drive sustainability at scale while maintaining profitability and brand excellence.

## **Salesforce (Moritz Mohrlök)**

Salesforce is a U.S.-based software company and global leader in customer relationship management (CRM) solutions. The company offers a wide suite of cloud-based tools for sales, service, marketing, and data analytics, including innovations such as Einstein AI and the Slack collaboration platform. With over 150,000 enterprise customers, Salesforce is deeply embedded in the digital workflows of companies around the world.

We invested in Salesforce because it stands at the forefront of enterprise digitalization and AI adoption. Its recurring revenue model, customer stickiness, and continuous product innovation make it an exceptionally attractive long-term holding. Furthermore, Salesforce is a pioneer in ESG transparency and accountability – it publishes a Net Zero Cloud tool to help clients track emissions, links executive pay to ESG goals, and actively promotes diversity and ethical AI development. Despite short-term integration costs and competitive pressure, we are convinced that Salesforce will remain a cornerstone of digital transformation in both the private and public sectors. It reflects our fund's aim to support innovation that is sustainable, scalable, and impactful.

## **First Solar (Philipp Wolter)**

First Solar Inc. is a U.S.-based company headquartered in Tempe, Arizona, specializing in utility-scale solar projects designed to power entire cities or industrial operations. The company differentiates itself through its use of cadmium telluride (CdTe) thin-film technology, which is more cost-effective, durable, and environmentally friendly than traditional silicon-based solar cells. With all manufacturing based in the United States, First Solar benefits significantly from regulatory advantages such as the Inflation Reduction Act and recent import tariffs on Asian solar modules. Its lower carbon footprint and recycling programs for old modules further reinforce its strong ESG profile. With a market capitalization of approximately \$12.7 billion and a stock price of \$121.71 (as of April 2025), First Solar is a major player in the renewable energy sector. The solar industry is experiencing rapid global growth, supported by political initiatives and rising demand. Despite sector-specific risks such as volatility, supply chain dependencies, and cheaper Asian competition, we decided to invest in First Solar due to its technological edge, regulatory tailwinds, and positive analyst outlook (target price: \$240, nearly 100% upside). Personally, this analysis deepened my understanding of how crucial political frameworks and ESG considerations are in making sustainable investment decisions. First Solar is a prime example of how environmental responsibility and financial potential can align within a modern value investing strategy.

## **MSCI ACWI IMI Robotics & AI ESG Filtered (Philipp Wolter)**

The MSCI ACWI IMI Robotics & AI ESG Filtered UCITS ETF by Amundi is a thematic ETF that offers exposure to more than 150 mid- and large-cap companies operating in the fields of artificial intelligence and robotics. The fund exclusively includes ESG-compliant firms, excluding controversial industries and reinvesting all dividends (accumulating). With a fund size of approximately €779 million and a price of €98.45 (as of May 2025), it provides broad diversification across over 10 countries, including the U.S., Europe, and Asia. Top holdings include companies like NVIDIA, Stryker, Intuitive Surgical, Keyence, and ABB – all leaders in sectors such as semiconductors, medical robotics, automation, and sensor technology. The ETF stands out due to Amundi's strict ESG screening and its position as Europe's largest asset manager. The AI and robotics sectors are experiencing significant momentum driven by technological breakthroughs such as generative AI (e.g., ChatGPT), as well as ongoing industrial automation and med-tech innovation. These trends are supported by tightening ESG regulations that increasingly direct capital toward sustainable investments. With a TER of just 0.40% p.a. and physical replication, the ETF remains cost-effective and transparent. However, the thematic focus comes with concentration risks if market sentiment or interest rates shift, and the ESG filter may exclude certain high growth, but non-compliant, tech firms. Personally, this ETF taught me how combining a megatrend theme with sustainability criteria can create a forward-looking investment product. It is a compelling option for investors seeking global, ESG-aligned exposure to some of the most transformative technologies of our time.

## Microsoft (Philipp Wolter)

Microsoft Corp., with a market capitalization of \$2.9 trillion and a share price of \$415 (June 2025), remains one of the most influential tech companies globally. Its strategic focus lies in artificial intelligence, cloud computing, automation, and ESG leadership. The company is committed to being carbon-negative and water-positive by 2030, and has held carbon-neutral status since 2012, earning it one of the highest ESG ratings in the industry (AAA by MSCI). Microsoft offers a highly diversified business model spanning productivity software (Microsoft 365), cloud services (Azure), development platforms (GitHub), cybersecurity, and gaming (Xbox, Activision Blizzard). Azure is now the second-largest cloud platform globally and continues to grow at ~40% annually. Microsoft's AI portfolio, led by Copilot and integration of OpenAI models across its ecosystem, positions it as the dominant enterprise AI provider. Financially, Microsoft posted \$270 billion in revenue in 2024 with a profit margin exceeding 33%, marking a revenue increase of over \$100 billion in just three years. Catalysts include the global AI boom, corporate cloud migration, and regulatory ESG pressure driving demand for Microsoft's carbon accounting tools. However, risks persist: regulatory scrutiny, especially from the EU and U.S., foreign exchange exposure due to USD dominance, and high dependency on continued cloud growth amidst fierce competition. Overall, Microsoft represents a rare combination of scale, innovation, and ESG alignment, making it a core holding in our portfolio. Analyzing this company underscored the power of technological infrastructure combined with sustainability leadership, and how global reach and reinvestment can fuel long-term dominance.

## **Thermo Fisher (Moritz Mohrlok)**

Thermo Fisher Scientific is a U.S.-based global leader in laboratory equipment, diagnostics, and life sciences services. With a market capitalization exceeding \$200 billion, the company plays a central role in enabling biomedical research, pharmaceutical development, and clinical diagnostics. Its diversified business model includes brands such as Applied Biosystems, Invitrogen, and Fisher Scientific, offering a strong mix of recurring revenues and innovation. Thermo Fisher benefits from long-term tailwinds like demographic aging, rising health expenditure, and the global shift toward personalized medicine. Its ESG performance includes clear targets for emissions reduction, waste minimization, and workplace safety, supported by transparent reporting practices.

We decided to include Thermo Fisher in our fund due to its fundamental importance to global healthcare infrastructure. The company not only generates stable cash flows but also directly contributes to scientific progress and public health resilience – values that align with our ESG principles. Its ability to grow both organically and through acquisitions, coupled with its broad end-market exposure, makes it a defensive yet forward-looking investment. We believe Thermo Fisher represents a rare case of a healthcare company that offers both robust financial performance and deep social impact, particularly as the demand for diagnostics and biomanufacturing rises globally.

## **Sika (Johanna Gaukel)**

Sika is a Swiss-based specialty chemicals company serving the construction and industrial manufacturing sectors. The firm is known for high-performance materials used in concrete admixtures, waterproofing systems, and structural adhesives. With operations in over 100 countries, Sika has built a resilient, acquisition-driven growth strategy and a strong innovation pipeline tailored to the sustainability needs of modern infrastructure.

We selected Sika for its exposure to megatrends such as urbanization, sustainable construction, and infrastructure renewal – especially in Europe and Asia. The company actively develops carbon-reduced cement technologies and energy-efficient materials, positioning itself as a market leader in ESG-aligned building solutions. From an investment standpoint, Sika offers a compelling mix of cyclically defensive demand, strong pricing power, and long-term sustainability relevance. We believe it plays a key enabling role in the global transition to greener cities and more climate-resilient infrastructure.

## **Ralph Lauren (Nicolina Schaefgen)**

Ralph Lauren is a globally recognized U.S. lifestyle brand operating in the premium and luxury apparel segments. The company maintains a strong presence in North America, Europe, and Asia, with a retail and digital footprint that spans high-end fashion and accessible product lines. With iconic branding and customer loyalty, Ralph Lauren has remained a cultural reference point while steadily modernizing its operations.

We chose Ralph Lauren because it successfully combines classic luxury positioning with a growing commitment to sustainability. The firm's ESG initiatives include circular fashion programs, reduced water and chemical use, and expanded traceability in its supply chain. These steps not only meet investor expectations but also resonate with changing consumer preferences. Financially, Ralph Lauren has rebounded well post-pandemic, with improving margins and omnichannel expansion. While the luxury market remains cyclical, we see Ralph Lauren as a brand in transition - becoming more responsible, more digital, and more globally scalable. This combination of heritage and future orientation fits well into our thematic ESG investment thesis.

## **Zalando (Jakob Eid)**

Zalando, headquartered in Berlin, is Europe's largest online platform for fashion and lifestyle. The company serves over 50 million customers and offers brands access to end-to-end logistics, digital marketing, and customer analytics tools. With its focus on user experience, personalization, and seamless digital infrastructure, Zalando is a key player in Europe's e-commerce ecosystem.

We decided to invest in Zalando because it sits at the intersection of digital disruption and sustainability transformation in the retail space. Its initiatives such as resale platforms, carbon-neutral shipping, and sustainable product labeling go beyond regulatory compliance—they reflect a genuine business shift toward long-term responsibility. Although Zalando's margins have been under pressure due to rising logistics costs and competitive dynamics, we believe the company is building scalable competitive advantages through its platform model. As investors seeking exposure to ESG-driven consumer behavior, we view Zalando as a growth company that balances innovation, impact, and operational scalability.

## **Siemens Energy (Jakob Eid)**

Siemens Energy is a global provider of energy technology solutions, offering gas turbines, renewable services, and grid technologies that support the decarbonization of energy systems worldwide. The company emerged from the Siemens AG spin-off and now operates independently across over 90 countries. Siemens Energy plays a strategic role in enabling the global energy transition.

We included Siemens Energy in our portfolio because it represents one of the most comprehensive industrial players addressing both conventional and renewable energy needs. The firm's involvement in green hydrogen, offshore wind, and transmission grid upgrades aligns closely with the EU's Green Deal and other international climate policies. While it has recently faced restructuring costs and operating losses, we view these as transitional issues in the context of a much larger long-term growth narrative. Siemens Energy's technological expertise, combined with its commitment to climate neutrality by 2030, provides us with both conviction and visibility into its future relevance. In our view, the company offers exposure to one of the world's most urgent and capital-intensive transformations: the global energy shift.

## Unilever

Unilever is one of the world's largest consumer goods companies, offering products in nutrition, hygiene, and personal care. With brands such as Dove, Knorr, and Ben & Jerry's, it reaches over 3 billion people in more than 190 countries. Its business model is characterized by brand strength, global reach, and resilient cash flows, even during macroeconomic downturns.

We chose Unilever as a core defensive holding in our ESG fund due to its longstanding leadership in sustainability. The company has been a frontrunner in areas such as supply chain transparency, plastic waste reduction, and climate-positive operations. Importantly, these are not just marketing claims – Unilever has linked its executive compensation to ESG goals and issues detailed sustainability reporting. From a financial perspective, the company delivers consistent dividend yields and is well-diversified across emerging and developed markets. In our view, Unilever exemplifies how consumer staples can serve as both an anchor of stability and a lever for sustainable innovation in global portfolios.

## TSMC

TSMC is the world's largest pure-play semiconductor foundry and a key supplier to companies like Apple, AMD, and NVIDIA. The company leads the industry in advanced chip fabrication and currently produces the most cutting-edge semiconductors used in AI, 5G, and high-performance computing.

We included TSMC because semiconductors are the backbone of modern digital infrastructure. The company's market dominance in 5nm and 3nm chip manufacturing is unmatched, and its capital expenditure scale provides strong barriers to entry. Although geopolitical tensions between Taiwan and China pose systemic risks, TSMC is actively diversifying production by building new fabs in the U.S. and Japan. Its ESG performance is improving, with greater attention to renewable energy sourcing and water management. We believe TSMC offers unique exposure to critical technology innovation with increasing alignment to sustainability frameworks. For us, this makes it a strategic holding in a long-term, future-oriented ESG portfolio.

## **Nvidia**

NVIDIA is a U.S.-based technology firm and global leader in GPU design for gaming, data centers, autonomous driving, and artificial intelligence. The company powers many of the most advanced AI systems, including language models and deep learning platforms.

We decided to invest in NVIDIA because of its central role in the ongoing AI revolution. With the rise of generative AI and machine learning, demand for its hardware and software solutions has skyrocketed. NVIDIA not only delivers top-line growth but also maintains industry-leading margins and returns on capital. On the ESG side, the company emphasizes energy-efficient computing, responsible AI development, and diversity in hiring practices. Despite valuation concerns and sector volatility, we believe NVIDIA's technological relevance, market leadership, and innovation culture offer exceptional long-term upside. It is a clear enabler of the next generation of computing – fits perfectly within our strategy to capture transformative, ESG-aligned tech growth.

## Learnings / Reflections

“As Junior Fund Analysts, we gained valuable insight into how financial analysis and long-term strategic thinking must go hand in hand when evaluating companies. One of our key learnings was recognizing the increasingly close link between economic success and sustainability. Throughout the semester, preparing and presenting our investment pitches also helped us sharpen our communication and presentation skills in a practical setting.

We learned to identify and interpret the most relevant financial indicators, and to question whether a fundamentally strong stock truly fits the overall strategy and current positioning of our portfolio. We also had our first hands-on experiences using tools like FactSet and explored the growing importance of environmental, social, and governance (ESG) factors in investment decision-making.

This fund gave us the opportunity to step far outside our comfort zones and engage deeply with a topic many of us had no prior experience in – but quickly discovered a real interest for. We learned how to analyze companies through a structured process and the importance of comparing a selected company to industry peers to gain deeper context. At first, we underestimated this comparative perspective, but it quickly became clear how essential it is for professional-level investment decisions.

On a personal note, we realized that finance isn't just a theoretical field – it's something we enjoy, and something we want to continue developing our skills in. The experience also taught us that deep learning happens when expectations are high. From a fund management perspective, we see the benefit of setting even stronger standards for junior analysts in the future. The more responsibility we were given, the more we were motivated – and the more we learned.” ~ *ESG Millenium Fund Team*

## Contact

If you are interested in learning more about the ESB Capital Student Fund, you can find out more on our website <https://www.esb-investmentclub.de/esb-capital>.

Additionally, feel free to contact us via [esbcapital@esb-investmentclub.de](mailto:esbcapital@esb-investmentclub.de).

**Disclaimer: This is no financial advice.**