

SUSTAINABLE DIVIDENDS VALUE FUND

MONTHLY REPORT


SUSTAINABLE
DIVIDENDS
value fund

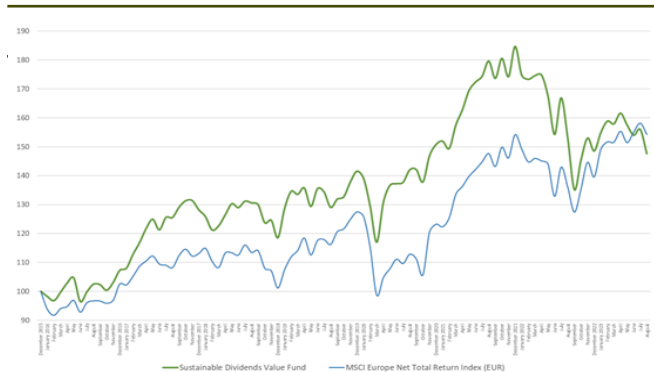
MORNINGSTAR ★★ | Bronze

AUGUST 2023

Core facts

| | |
|-------------------------------|--------|
| Fund performance | 115.15 |
| Price last month | 121.70 |
| Monthly return (net) | -5.4% |
| MSCI Europe month | -2.4% |
| Return since inception (2016) | 47.6% |
| MSCI Europe since 2016 | 54.3% |

Return (net %)



Annual returns (net after fees %)



Fund performance

Every day, the companies in our fund are busy solving the important sustainability issues of the moment. For example, Alfa Laval, Solar and Bravida are engaged in the production of heat pumps to heat or cool your home in an energy-efficient way. Orsted, SKF and TKH are involved in generating your energy in a sustainable way with wind turbines. And Vopak and SMS are active in the development and maintenance of large batteries that are needed for the temporary storage of sustainably generated energy. Not only are the products of these companies sustainable, but they also ensure that their own production takes place as energy-efficiently as possible. All this helps us in the fight against global warming and climate change. However, there are big differences from month to month, and in August it became clear that several projects in the wind sector are being delayed due to the rapid rise in interest rates. TKH and Orsted have both indicated that they are affected by this. Partly as a result, the fund's price fell 5.4% in August against a 2.4% drop for the MSCI Europe. However, this is a snapshot in the multi-year story of the energy transition. The demand for sustainably generated energy and the products of our companies is growing rapidly, and we are convinced that sooner or later these companies and their shareholders will be rewarded.

Strategy

In our fund, we select stocks of companies with a predictable and profitable business model, a strong focus on sustainability, committed management and regular dividend payments to shareholders. The balance sheets of the companies in our fund are strong. The valuations of the shares in our fund are very low compared to the past and also compared to the rest of the market. This low valuation gives room for price recovery as soon as the economy picks up again.

Monthly returns

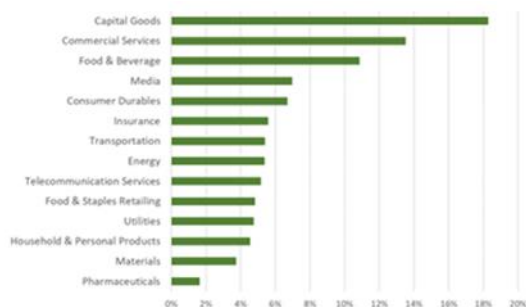
| | Jan | Feb | Mrt | Apr | Mei | Jun | Jul | Aug | Sep | Okt | Nov | Dec | Year |
|------|-------|-------|-------|-------|-------|-------|-------|-------|--------|-------|-------|-------|---------------|
| 2016 | -1.8% | -1.5% | 3.0% | 3.2% | 1.8% | -7.8% | 3.4% | 2.7% | -0.1% | -1.9% | 2.7% | 4.1% | 7.3% |
| 2017 | 0.7% | 4.4% | 3.6% | 4.2% | 2.6% | -2.9% | 3.5% | 0.0% | 2.8% | 1.7% | 0.0% | -2.4% | 19.5% |
| 2018 | -1.8% | -3.6% | 1.2% | 3.1% | 3.0% | -1.0% | 1.7% | -0.4% | -0.5% | -4.8% | 0.6% | -4.8% | -7.5% |
| 2019 | 8.4% | 4.7% | -0.7% | 1.7% | -4.7% | 4.7% | -0.8% | -4.0% | 2.2% | 0.7% | 3.9% | 2.7% | 19.4% |
| 2020 | -1.8% | -6.9% | -9.6% | 11.7% | 4.5% | 0.4% | 0.3% | 3.1% | 0.1% | -3.0% | 6.5% | 2.7% | 6.5% |
| 2021 | 0.8% | -1.7% | 5.4% | 3.4% | 4.1% | 1.8% | 1.2% | 3.0% | -3.3% | 4.0% | -3.5% | 6.0% | 22.5% |
| 2022 | -5.4% | -0.8% | 0.7% | 0.2% | -4.2% | -7.9% | 8.2% | -8.5% | -11.5% | 7.5% | 5.3% | -2.9% | -19.6% |
| 2023 | 4.2% | 2.6% | -0.6% | 2.3% | -2.5% | -2.3% | 1.3% | -5.4% | | | | | -0.6% |



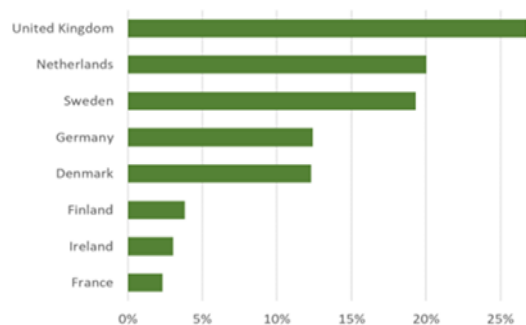
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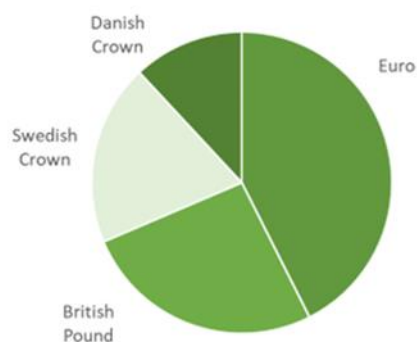
Sector allocation



Geographical allocation



Currency allocation



Risk-Return Characteristics

| | |
|-------------------------------|--------|
| Total Return | 47.6% |
| Average annual return | 5.2% |
| Standarddeviation return | 14.3% |
| Sharpe Ratio | 0.29 |
| Total Outperformance | -4.4% |
| Average annual outperformance | -0.6% |
| Tracking Error | 7.5% |
| Information Ratio | -0.08 |
| Correlation Coëfficiënt | 0.86 |
| Best Month (April 2020) | +11.7% |
| Worst Month (September 2022) | -11.5% |
| Maximum drawdown | -26.8% |

Sustainable Dividends

Website: www.sustainabledividends.com
 Email: info@sustainabledividends.com
 Telefoon: +31 20 244 3654

Ascenders in the portfolio

The British Admiral was the biggest ascender in the portfolio. The share price of the non-life insurance company rose by 17% after the publication of the figures for the first half of the year. During this period, the company saw sales increase by 20% compared to a year earlier. The average premium increase of 40% for British motorists in the second quarter will ensure that Admiral's turnover and profit will continue to rise sharply in the coming quarters. Ultimately, this will also lead to higher dividends for shareholders. Denmark's Novo Nordisk reported excellent second quarter numbers and raised expectations for the full year. As a result, the share price rose by more than 16% this month. The strong price gain of 200% over the past two years, in combination with the high valuation of the shares, made us decide to take profit on this position. We are not alone in this, because the company's management has also sold more than 4 million euros worth of shares after the strong price reaction to the figures.

Descenders in the portfolio

Danish Ørsted, developer and operator of offshore wind farms, reported a write-off and delay in new projects in the United States. Due to the rapidly rising interest rates, problems have arisen with suppliers, which is why the company is now in talks with the US government about a higher price for the energy to be supplied. If the projects would not go ahead, this means that the target for 2030 would only be reduced by 5%. Despite this, the share price fell by 25%. In the past month, for the first time, one of our companies became directly involved in the war in Ukraine. SKF's factory in Lutsk, in the far west of the country, was the target of a Russian missile attack a few weeks ago. Three SKF employees were killed and the factory damaged as a result of this attack. SKF's share price fell by 11%.

Outlook

Currently, the fund is almost entirely invested in low-valued and well-run companies with strong balance sheets. These companies are expected to generate growing profits and rising dividends in the coming years. To ensure sufficient risk diversification, the assets are divided over 21 shares of companies in 14 different sectors and 10 different countries. We believe our fund offers a high potential for attractive returns to equity investors with a long horizon.

**Attention! This investment falls outside AFM supervision.
 No license and no prospectus required for this activity.**

