SUSTAINABLE DIVIDENDS VALUE FUND

MONTHLY REPORT

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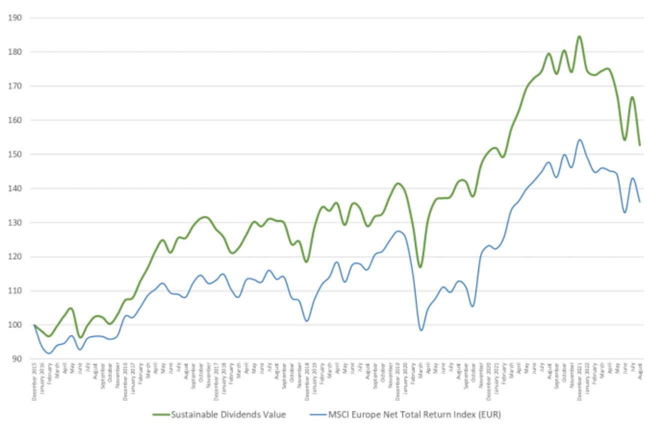
MORNINGSTAR ★★★★★

AUGUST 2022

Core Facts

Fund Price	119.19
Price Last Month	130.21
Fund Monthly Return (net)	-8.5%
MSCI Europe Monthly Return	-4.8%
Return since inception (2016)	52.7%
MSCI Europe since 2016	36.1%

Return (net %)



Annual Returns (net %)

Fund Performance

The Sustainable Dividends Value Fund had a difficult month. Delays in passing on higher costs to customers and fears of a drop in demand due to high inflation caused the price of many shares in the fund to fall. But the general fear of higher interest rates also played a part. We believe that the latter is not justified, as most of the companies in our fund have little or no debt. Despite this, last month's price appreciation was canceled out again with a return of -8.5% in the month of August. The announcement of significant interest rate hikes is causing uncertainty and fear amongst investors. The prices of large European companies fell by an average of 4.9% (MSCI Europe Index). Mid-sized companies saw a price decline of 6.7% (MSCI Europe Mid Cap Index) and small companies an average 6.9% (MSCI Europe Small Cap Index). The balance sheet ratios of the companies in our fund are strong. Most companies have only modest debt and some even have a net cash position. They therefore have nothing to fear from rising interest rates. This is one of the reasons why we look to the future with confidence in this difficult year. Since its inception in 2016, our fund has now delivered over 52% (+6.6% pa, after fees), versus 36% for the MSCI Europe (+4.7% pa).

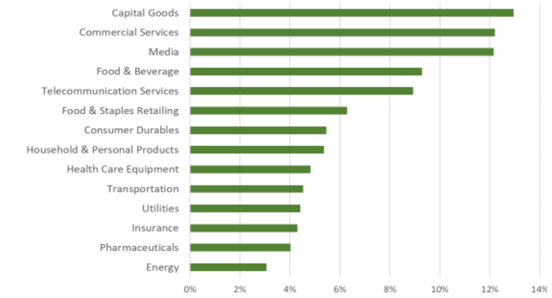
Investment Goal and Strategy

The objective of the fund is to grow capital over the long term. Sustainable Dividends invests in European companies contribute to making society more sustainable. Shares of these companies yield more for the world and for investors. They will see their cash flow grow faster and get more interest from investors. We choose 15 to 25 shares of companies with a predictable and profitable business model, a highly committed management team, a strong balance sheet and regular and preferably growing dividend payments to the shareholders.

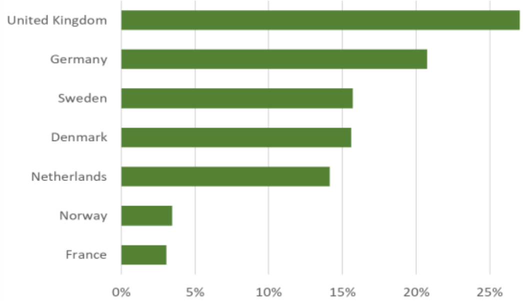
Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
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%					**-17.3%**

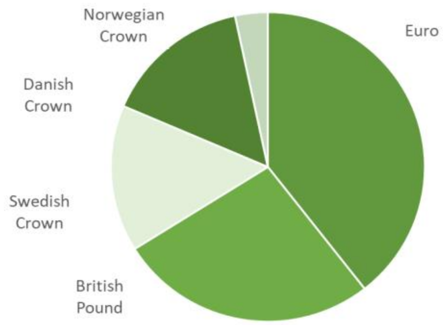
Sector Allocation



Geografical Allocation



Currency Allocation



Risk-Return Characteristics

Total Return	52.7%
Average Annual Return	6.6%
Standarddeviation Return	13.7%
Sharpe Ratio	0.51
Total Outperformance	12.3%
Average Annual Outperformance	1.7%
Tracking Error	7.4%
Information Ratio	0.24
Correlation Coefficient	0.86
Best Month (April 2020)	+11.7%
Worst Month (March 2020)	-9.6%
Maximum Drawdown	-17.4%

Sustainable Dividends

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Ascenders in the portfolio

The biggest descender of the previous month was the fastest ascender this month. British insurer Admiral fell in July on profit warnings from two competitors. The half-year figures showed that Admiral is meeting the previously expressed expectations. The cost increase in the first half year was 12% on average, but the company charges an 18% more premium when concluding new contracts. This will ensure a recovery of profitability in the second half of the year. Admiral's price rose by 11%. In addition, there was a 3% price increase for Ahold Delhaize. Partly due to the strong dollar, the retailer reported better-than-expected figures for the first half of the year. Margins remain stable and management is raising expectations for the full year.

Decenders in the portfolio

Most of the shares in the fund saw their price fall in August. The price of Treatt, the UK's natural-based fragrance and flavoring company, fell 35% after the company lowered its full-year profit forecast. The main reasons for this are the large currency fluctuations this year and the high cost increases that can only be passed on to customers with some delay for long-term contracts. We expect that these effects will play a much less important role in the new financial year, and that profit margins will recover. Treatt's order book is currently 25% larger than a year ago, and we believe the long-term investment case for the stock is still intact. The price of Airtel Africa – the biggest gainer of the previous month – fell by 16%. Investors fear the consequences of high inflation for consumers in Africa. The sharp rise in food prices could simply mean that there is less budget for, for example, telephony. We expect this effect to be temporary, and believe the stock is now very cheap.

Outlook

At present, the fund is invested in low-valued and well-managed companies with strong balance sheets. These companies are expected to generate growing profits and rising dividends in the coming years. The assets are spread over 20 shares of companies in 14 different sectors and seven different countries. This ensures a sufficient degree of risk diversification. We have a clear preference for sectors that provide stable cash flows. Despite the fact that the current economic situation in the world brings some uncertainty, we believe that the shares in our fund currently offer a very good opportunity for an attractive return to long-term oriented equity investors.