

SUSTAINABLE DIVIDENDS VALUE FUND

MONTHLY REPORT



MORNINGSTAR ★★ | Neutral

OCTOBER 2023

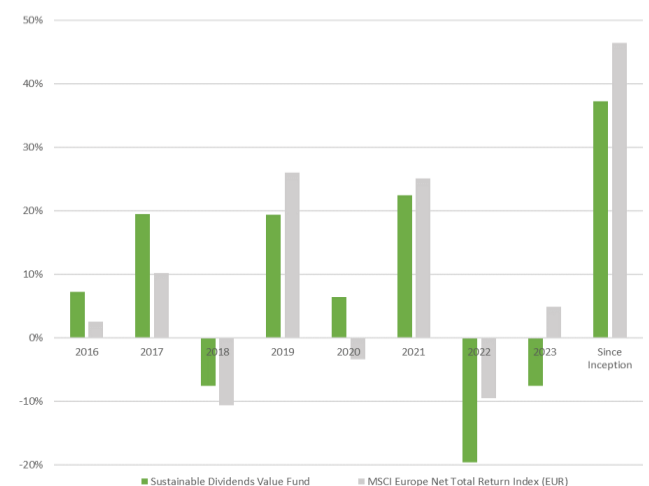
Core facts

Fund price	107,10
Price last month	111,59
Monthly return (net)	-4,0%
MSCI Europe month	-3,6%
Return since inception (2016)	38,4%
MSCI Europe since 2016	46,5%

Return (net %)



Annual returns (net after fees %)



Fund performance

Although the chance of a further increase in short-term interest rates does not seem large, we still saw long-term interest rates rise sharply in October. This led to unrest among investors, who fear higher interest charges when companies have to refinance existing loans. As a result, stock markets fell across a broad front, with European large caps losing an average of 3.6% while prices of mid- and small caps fell by 4.8% and 5.9% respectively. Most companies in our fund have little debt and some even have a net cash position. Nevertheless, the fund's price fell by 4.0%. The quarterly figures published so far show that most companies are still performing reasonably well. However, construction-related companies sometimes see their order books decline. This is often because fewer inventories are held. Small and midcaps in particular are under pressure. This creates great opportunities for investors to buy really good companies at very attractive levels. We do this too and will keep you informed of our new purchases in the coming months. Since the start of the fund in 2016, we have now achieved a 38% return.

Strategy

In our fund we select shares of companies with a predictable and profitable business model. Due to the great attention to sustainability, companies that play an important role in, for example, the energy transition, recycling or the use of sustainable materials, will see their turnover and results grow in the coming years. At the same time, we expect that these companies will receive more attention from investors. We also look for committed management for our investments, preferably with growing dividends and strong balance sheet ratios.

Monthly returns

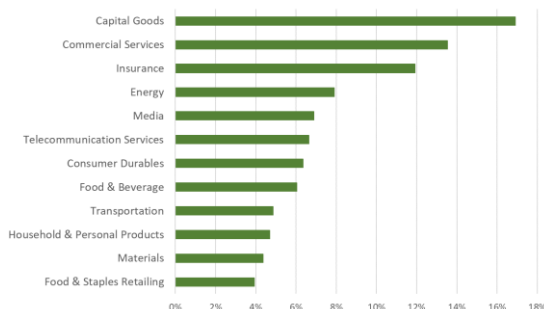
	Jan	Feb	Mrt	Apr	Mei	Jun	Jul	Aug	Sep	Okt	Nov	Dec	Jaar
2016	-1,8%	-1,5%	3,0%	3,2%	1,8%	-7,8%	3,4%	2,7%	-0,1%	-1,9%	2,7%	4,1%	7,3%
2017	0,7%	4,4%	3,6%	4,2%	2,6%	-2,9%	3,5%	0,0%	2,8%	1,7%	0,0%	-2,4%	19,5%
2018	-1,8%	-3,6%	1,2%	3,1%	3,0%	-1,0%	1,7%	-0,4%	-0,5%	-4,8%	0,6%	-4,8%	-7,5%
2019	8,4%	4,7%	-0,7%	1,7%	-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%	-3,1%	-4,0%			-7,6%



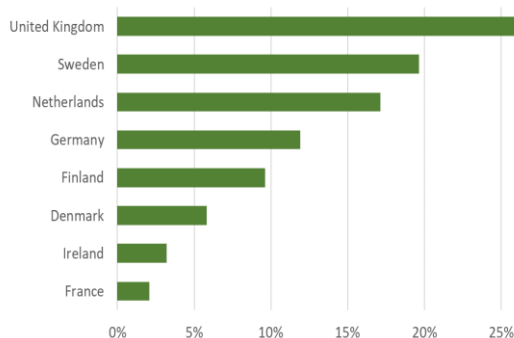
SUSTAINABLE
DIVIDENDS

value fund

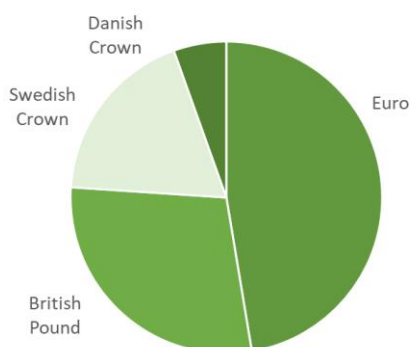
Sector allocation



Geographical allocation



Currency allocation



Risk-Return characteristics

Total Return	38,4%
Average annual return	4,1%
Standaarddeviation return	14,3%
Sharpe Ratio	0,22
Total Outperformance	-6,3%
Average annual utperformance	-0,8%
Tracking Error	7,5%
Information Ratio	-0,11
Correlation Coëfficiënt	0,86
Worst 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 Swedish Essity was the biggest gainer in the portfolio. The share price of the manufacturer of paper-based consumer goods rose by 8%. The company reported excellent quarterly figures and saw profits increase by more than 30% compared to the same quarter a year ago. The reasons for this are higher sales prices of their products, cost savings as a result of reorganizations, and lower purchasing costs of raw materials and energy. The share price of the Dutch Fugro rose by 7% in the past month. The company reported strong third-quarter results, with cash flow rising more than 60% from a year earlier. A large part of the company's turnover is now achieved from mapping the seabed for wind farms and coastal reinforcement. Management announced that it would pay a dividend again for the current financial year.

Descenders in the portfolio

The French SFPI was one of the descenders in the fund. The share price of the manufacturer of locks and roller shutters, among other things, fell by 16% after the publication of the half-year figures. Even though the company saw turnover grow by 17%, it was not possible to translate all cost increases into higher prices for customers. The result was a slight decline in profits and a drop in the stock market. Despite the decline in profits, the share is still extremely cheaply valued, especially compared to other specialists in the field of home and office security. We therefore expect the price to recover as soon as the sentiment around small caps improves again. The share price of Bravida, the Swedish installer of energy-efficient solutions for heating and cooling large buildings in particular, fell by 13% after publication of the quarterly figures. The company saw both turnover and profit rise, but fear of future margin pressure in construction-related companies caused investor reluctance.

Outlook

The fund is currently almost entirely invested in low-valued and well-managed companies with a strong balance sheet. These companies are expected to deliver growing profits and rising dividends in the coming years. To ensure sufficient risk diversification, the assets are divided among 23 shares of companies in 12 different sectors and 8 different countries. We believe that our fund offers a good chance of an attractive return to equity investors with a long horizon.

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

