

# SUSTAINABLE DIVIDENDS VALUE FUND

## MONTHLY REPORT



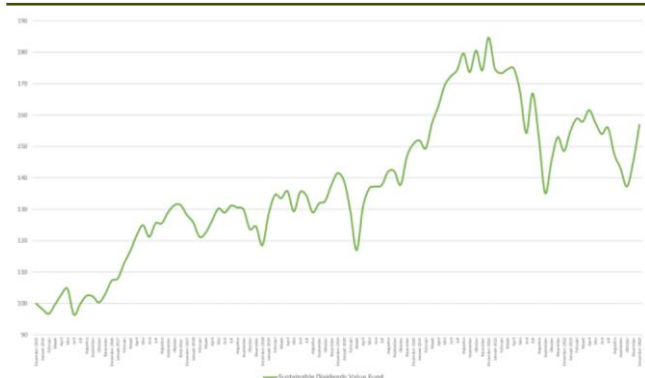
MORNINGSTAR ★★ | Neutral

DECEMBER 2023

### Core facts

Fund price	122.40
Price last month	113.13
Monthly return (net)	8.2%
MSCI Europe month	3.7%
Return since inception (2016)	56.8%
MSCI Europe since 2016	61.7%

### Return (net %)



### Annual returns (net after fees %)



### Fund performance

December was by far the best month of the year and investors saw the value of their investment in the fund increase by 8.2%. The further fall in interest rates in the United States and Europe caused price recovery in stock markets. As a result, the MSCI Europe Index rose by 3.7% in December. The European Mid Cap index recorded a plus of 5.1% and Small Caps rose on average by 7.0% in value. In our fund, KKR's takeover bid for Smart Metering Systems (SMS) stood out. As a result, the share price of the London listed company rose by 45%. More generally, the prices of companies in the capital goods sector were sharply higher. It is expected that the companies in this sector will benefit above average from lower interest rates and see their order book grow again in 2024. The total return for the Sustainable Dividend Value Fund over 2023 came to 5.6%, which is very close to the long-term average return of our fund. For the coming quarters, we expect a further recovery in share prices. For investors there are now many opportunities to buy stock of great companies at attractive price levels. You will soon find an example of this in our quarterly report. Since the launch of the fund in 2016, we have now achieved almost 57% return.

### Strategy

In our fund, we select stocks of companies with a predictable and profitable business model. Due to the strong focus on sustainability, companies that play an important role in, for example, the energy transition, recycling or the use of sustainable materials, will see their sales and earnings grow. At the same time, we expect these companies will receive more attention from investors resulting in higher share prices in the future.

### Monthly returns

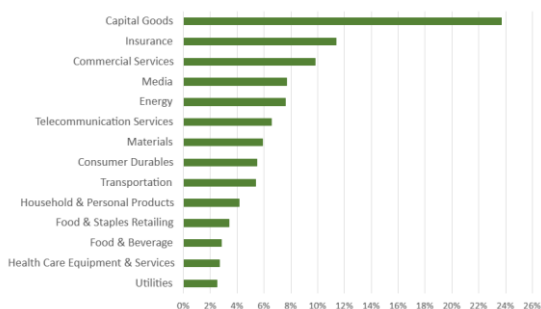
	Jan	Feb	Mrt	Apr	Mei	Jun	Jul	Aug	Sep	Okt	Nov	Dec	Jaar
2016	-1.8%	-1.5%	3.0%	3.2%	1.8%	-7.8%	3.4%	2.7%	-0.1%	-1.9%	2.7%	4.1%	<b>7.3%</b>
2017	0.7%	4.4%	3.6%	4.2%	2.6%	-2.9%	3.5%	0.0%	2.8%	1.7%	0.0%	-2.4%	<b>19.5%</b>
2018	-1.8%	-3.6%	1.2%	3.1%	3.0%	-1.0%	1.7%	-0.4%	-0.5%	-4.8%	0.6%	-4.8%	<b>-7.5%</b>
2019	8.4%	4.7%	-0.7%	1.7%	-4.7%	4.7%	-0.8%	-4.0%	2.2%	0.7%	3.9%	2.7%	<b>19.4%</b>
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%	<b>6.5%</b>
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%	<b>22.5%</b>
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%	<b>-19.6%</b>
2023	4.2%	2.6%	-0.6%	2.3%	-2.5%	-2.3%	1.3%	-5.4%	-3.1%	-4.0%	5.6%	8.2%	<b>5.6%</b>



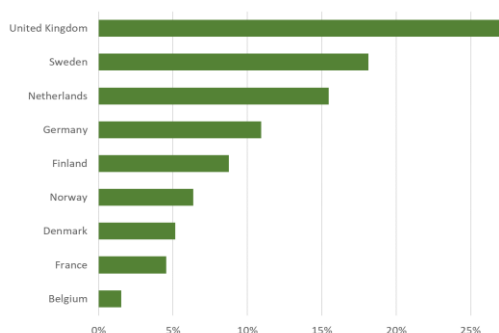
SUSTAINABLE  
DIVIDENDS

value fund

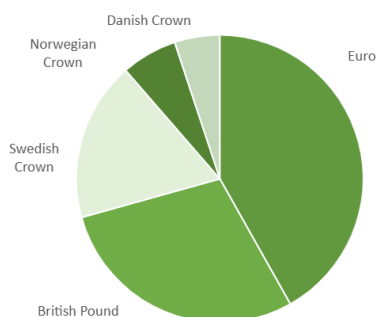
## Sector allocation



## Geographical allocation



## Currency allocation



## Risk-Return characteristics

Total Return	56.8%
Average annual return	5.8%
Standaarddeviation return	14.5%
Sharpe Ratio	0.33
Total Outperformance	-3.0%
Average annual utperformance	-0.4%
Tracking Error	7.6%
Information Ratio	-0.12
Correlation Coëfficiënt	0.86
Worst month (April 2020)	+11.7%
Worst month (September 2022)	-11.5%
Maximum drawdown	-26.8%

## Sustainable Dividends

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## Ascenders in the portfolio

British SMS was the biggest gainer in the portfolio. The smart electricity meter and battery installer's share price rose 45% after private equity investor KKR made an offer for all outstanding shares. Despite the fact that the takeover bid resulted in a nice increase in the share price, not all shareholders are happy with the price. Led by the company's founder and former CEO, there is now a sizeable group of shareholders calling for a higher takeover price. Swedish Bravida's share price rebounded 23%, after falling in previous months. The installer of energy-efficient solutions for heating and cooling large buildings in particular will see both sales and profits rise this year. The company recently announced a large new order for an extension of the Stockholm metro. We expect the order book to remain on track in the coming quarters partly because of this sizeable order. Like last month, Tomra was again one of the biggest risers in the fund. The share price of the producer of reverse vending machines and sorting machines for the food and recycling industry rose by 16%. Recently, several countries in Europe (and beyond) decided to introduce deposit systems for bottles. Tomra has a global market share of 80% in this field and will therefore definitely benefit from these plans.

## Descenders in the portfolio

The number of decliners in the fund was small. Still, some stocks lagged. Sweden's Essity, for instance, saw its share price fall 5% after the company announced it was selling its Asian subsidiary Vinda. Vinda's margins are relatively low, and the sale ensures that Essity's average margin will go up from 2024. Ahold's share price fell 2% as US consumers are expected to have less money to spend in the coming year. The stock is very low valued partly because of the share price decline in the second half of 2023. We expect share buybacks and higher dividends will help a share price recovery.

## Outlook

Currently, the fund is almost entirely invested in low-rated and well-managed companies with strong balance sheets. These companies are expected to provide growing profits and rising dividends for their shareholders in the coming years. To ensure sufficient risk diversification, the assets are spread across 25 stocks of companies in 14 different sectors and 9 different countries. We believe that our fund offers a great opportunity 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.**

