SUSTAINABLE DIVIDENDS VALUE FUND

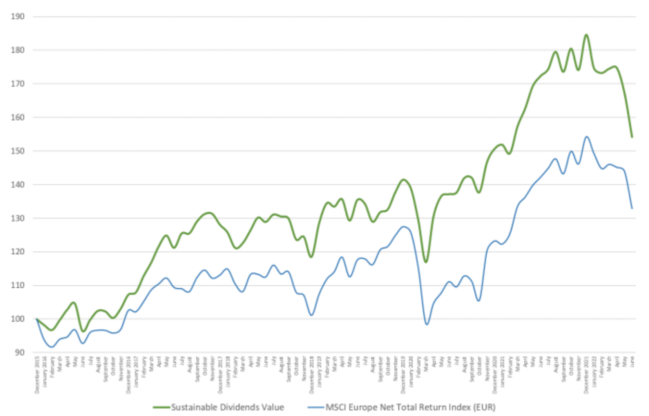
MONTHLY REPORT

JUNE 2022

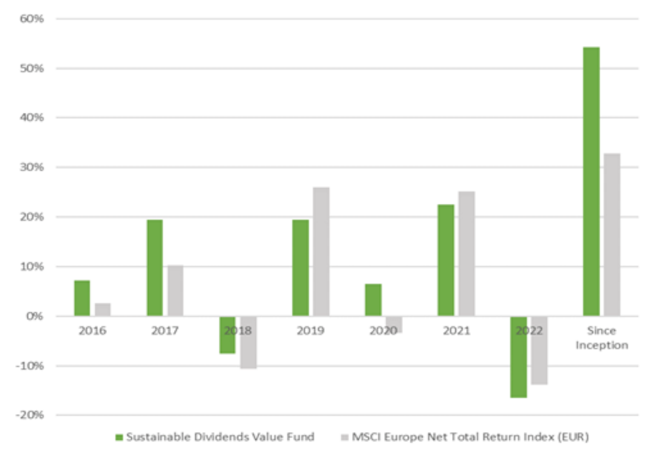
Core Facts

Fund Price	120.35
Price Last Month	130.64
Fund Monthly Return (net)	-7.9%
MSCI Europe Monthly Return	-7.7%
Return since inception (2016)	54.2%
MSCI Europe since 2016	32.9%

Return (net %)



Annual Returns (net %)



Fund Performance

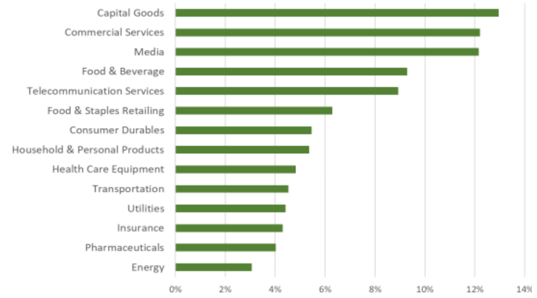
The Sustainable Dividends Value Fund was unable to escape the general malaise in the stock market in the past month. With virtually no corporate news published in June, the market is a plaything for the – anything but favorable – political and economic developments. The combination of high inflation, global interest rate hikes, and declining consumer confidence caused the stock market to fall sharpest since 2020. On average, the prices of the large stocks in Europe (MSCI Europe Index) fell by 7.7% in June. We did not do better and the value of the fund fell by 7.9% to EUR 120.35. Because we invest not only in large, but also in medium-sized and small companies, we also report their results. Mid-sized companies saw a price decline of 9.7% (MSCI Europe Mid Cap Index) and small companies an average 11.8% (MSCI Europe Small Cap Index).

It is common in times of fear that risky investments are the first to be sold. And because small companies are seen as more risky, those prices fall faster. This is also the case in our fund. Ripe and green are sold at the same time on the market, without regard for quality or the latest news. However, none of the stocks in our fund have issued a warning recently. On the contrary, the German Cliq Digital has sharply revised its expectations for the whole of 2022 upwards. And the British Bloomsbury reported strong figures for the recently closed financial year. The balance sheet ratios of the companies in our fund are also 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 54% (+6.9% p.a., after charges), versus 33% for the MSCI Europe Index (+4.5% p.a.).

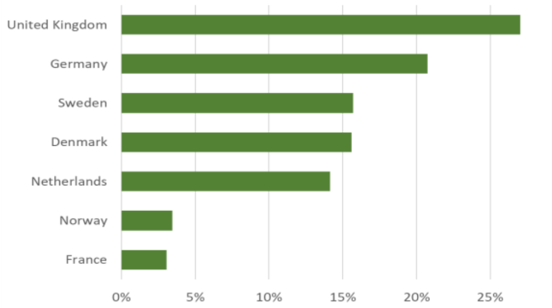
Monthly Returns

	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%							**-9.3%**

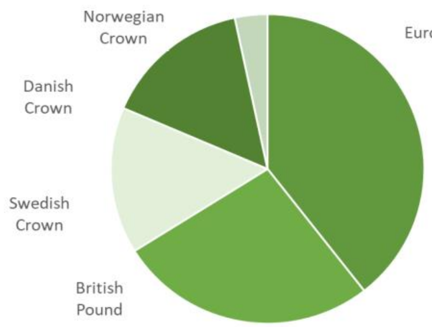
Sector Allocation



Geografical Allocation



Currency Allocation



Risk-Return Characteristics

Total Return	54.2%
Average Annual Return	6.9%
Standarddeviation Return	13.1%
Sharpe Ratio	0.56
Total Outperformance	16.1%
Average Annual Outperformance	2.3%
Tracking Error	7.3%
Information Ratio	0.32
Correlation Coefficient	0.85
Best Month (April 2020)	+11.7%
Worst Month (March 2020)	-9.6%
Maximum Drawdown	-17.4%

Sustainable Dividends

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SUSTAINABLE DIVIDENDS
value fund

Ascenders in the portfolio

The German Cliq Digital was the largest climber in the portfolio last month with a plus of almost 10%. As mentioned before, the company presented new targets for the current year. Instead of 1.5 million subscribers, management now expects to have 2 million customers by the end of the year. As a result, the sales this year are expected to increase by 60% and the cash flow by 40% compared to last year. A second ascender in the fund was Essity. The Swedish producer of (paper-based) consumer goods saw the share price rise by 4%. After implementing significant price increases for their products, the company will see margins grow again in the coming quarters. Investors are already preparing for this expected good news.

Decenders in the portfolio

As explained above, prices fell across a broad front. There is no other reason for most price declines than the general decline of the market. However, we mention here a few notable declines. DSM recently announced a merger with the Swiss family business Firmenich. Together they will become one of the largest players worldwide in the field of fragrances and flavors for food and cosmetic products. This gives DSM a very strong position and, together with the sale of the last part of the materials division, means that DSM's long-standing transformation process has now come to an end. Initially, the market reacted positively to this, but at the end of the month the share price fell by almost 13%. The share price of the German manufacturer of bathroom and tableware Villeroy & Boch fell by almost 16% as a result of increased gas prices and the decline in consumer confidence. However, the company has largely hedged the increased gas prices for this year and management expects to report flat volumes and slightly higher sales in 2022 compared to last year.

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 for their investors in the coming years. The assets are spread over 20 shares of companies in seven countries and 14 different sectors. 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 of the companies in our fund currently offer a very good chance of an attractive return to long-term oriented equity investors.