

SUSTAINABLE DIVIDENDS VALUE FUND

MONTHLY REPORT



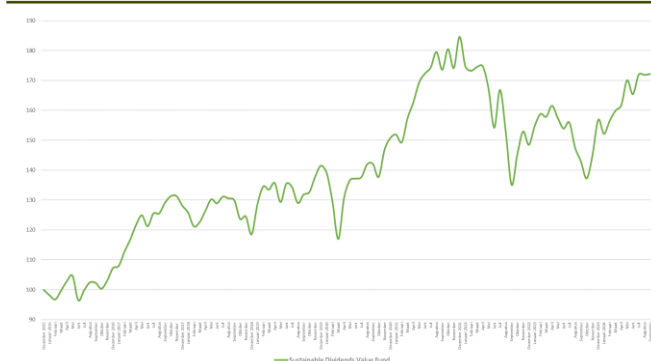
SUSTAINABLE
DIVIDENDS
value fund

SEPTEMBER 2024

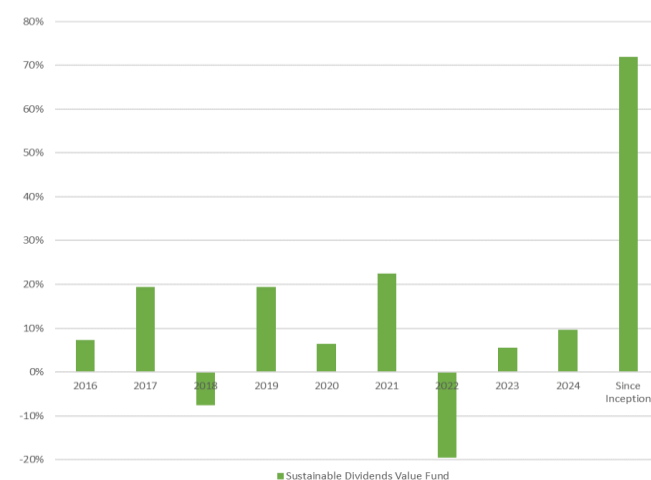
Core Facts

Fund price	134.50
Price last month	134.14
Monthly return (net)	0.3%
MSCI Europe month	-0.4%
Return since inception (2016)	72.3%
MSCI Europe since 2016	80.5%

Return (net %)



Annual returns (net after fees %)



Fund Performance

Investors in the Sustainable Dividends Value Fund achieved a modest return of 0.3% last month. Since the beginning of the year, our fund's performance is now 9.9%. In a month without too much corporate news, macro figures tend to provide direction. More specifically, it was the interest rate cuts announced by the European and US central banks that caused turmoil in the markets. The fear of a too late and too slow intervention by central bankers was the reason why most European equity markets went negative for the month, and the MSCI Europe index ended up posting -0.4%. The small cap index actually ended September 0.5% higher. Small and mid-caps have lagged sharply behind the stock market in recent years. The prospect of a further fall in interest rates in the coming quarters has investors looking for lagging and sometimes severely undervalued stocks. Our small and mid-caps are good examples of this. The valuation of our portfolio is considerably lower than that of the market, and we expect to benefit from this in the coming period. Since its launch in 2016, the return on our fund is now over 72%.

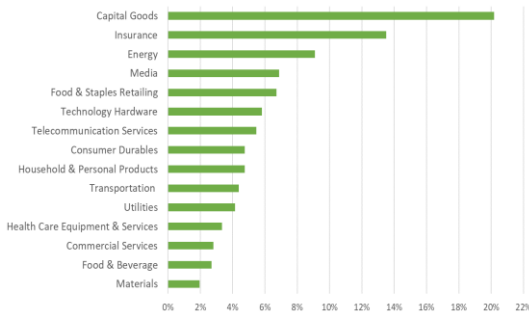
Strategy

Our fund selects 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 to receive more attention from investors, resulting in higher share prices in the future. A strong balance sheet, committed management, and regular, preferably growing, dividends are also important selection criteria for inclusion in the fund.

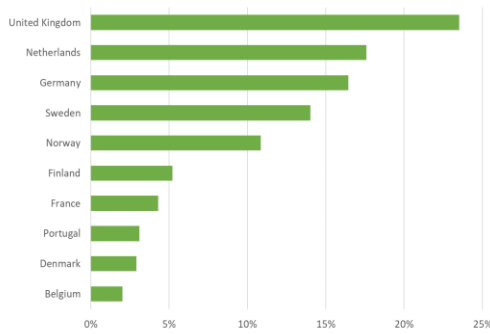
Monthly returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	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%	-3.1%	-4.0%	5.6%	8.2%	5.6%
2024	-3.0%	2.9%	2.1%	1.2%	5.1%	-2.7%	3.9%	0.0%	0.3%				9.9%

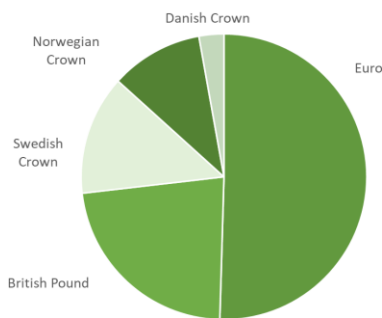
Sector allocation



Geographical allocation



Currency allocation



Risk-Return Characteristics

Total return	72.3%
Average annual return	6.4%
Standard deviation return	14.1%
Sharpe ratio	0.38
Total out-performance	-4.5%
Average annual out-performance	-0.5%
Tracking error	7.6%
Information ratio	-0.07
Correlation coefficient	0.85
Best month (April 2020)	+11.7%
Worst month (September 2022)	-11.5%

Sustainable Dividends

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Ascenders in the portfolio

Belgian chemical company Solvay was the biggest gainer in the fund last month. The share price of the producer of amongst others raw materials for the glass industry, rose 15% in September. After management had already revised upwards their expectations for 2024, several analysts have increased their price targets in the past month. Despite the positive outlook, we think that, with a increase of over 50% since our purchase at the end of last year, the share price is a little too far ahead of this. We have therefore decided to reduce our position in the stock. Norway's Medistim saw its share price rise 9% in September. The medical technology company has already managed to improve margins for two quarters in a row and margins are expected to rise further in the second half of the year. Last year, the company established its own distribution network in a number of key markets. This change is now visible in the form of a clear margin improvement.

Descenders in the portfolio

Norwegian technology company Norbit earlier published an increase in revenue and cash flow in the first half of the year and was the biggest gainer in August with +14%. The stock gave back a good part of this share price rise with an 11% fall in September, despite winning new orders. For the full year, we expect rising sales at constant margins. Another stock losing some ground was Dutch company Fugro. The share price was 9% lower without any major news. In its half-year results, the company reported a nice increase in revenue and a substantial margin improvement. Expectations are that the high margins can also be achieved in the rest of the year. Ultimately, this will lead to higher dividends for the shareholders.

Outlook

Currently, the fund is almost entirely (97%) invested in low-rated and well-managed companies with strong business models and healthy balance sheets. These companies are expected to provide growing profits and increasing dividends for their shareholders in the coming years. To ensure adequate risk diversification, the assets are spread across 24 stocks of companies in 15 sectors and 10 countries. We believe that our fund offers many opportunities for attractive returns to equity investors with long horizons.

**Attention! This investment falls outside AFM supervision.
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