ELEVA CAPITAL

ELEVA European Selection - Class I

31/03/2023
Monthly report

Investment objective and approach

- Aiming to achieve superior long-term risk adjusted returns
- Investing primarily in European equities and equity related securities
- Conviction investing using bottom-up stock-picking with high active weight of 80%+ and tracking error target of 6%
- Flexible, opportunistic, and pragmatic approach, with no sector/country bias and style/market cap agnostic
- Using a macroeconomic overlay to support sector positioning
- Recommended investment horizon : ≥ 5 years

Key figures

Net Asset Value	1 866.82 €
Total Fund Assets	4 778 546 310 €

Risk Indicator

LOWER RISK — HIGHER RISK

1	2	3	**4**	5	6	7

Fund characteristics

Manager: Eric Bendahan
Legal structure: Luxembourg SICAV - UCITS
Fund launch date: 26/01/2015
Share class launch date: 26/01/2015
ISIN Code: LU1111643042
Bloomberg Ticker: ELVESIE LX
Classification: European Equity
Benchmark: STOXX Europe 600 Net Return - SXXR
Reference currency: EUR
Distribution policy: Accumulation
Valuation frequency: Daily

Administrative information

Custodian: HSBC Continental Europe, Luxembourg
Fund admin: HSBC Continental Europe, Luxembourg
Management company: ELEVA Capital SAS
Subscription / redemption cutoff: 12:00 CET
Subscription / redemption settlement: T+2

Fees

Subscription fees: Up to 3%
Redemption fees: 0%
Management fees: 0.9%
Performance fees: 15% of the outperformance to the SXXR with a relative HWM over 5 rolling years

Contact

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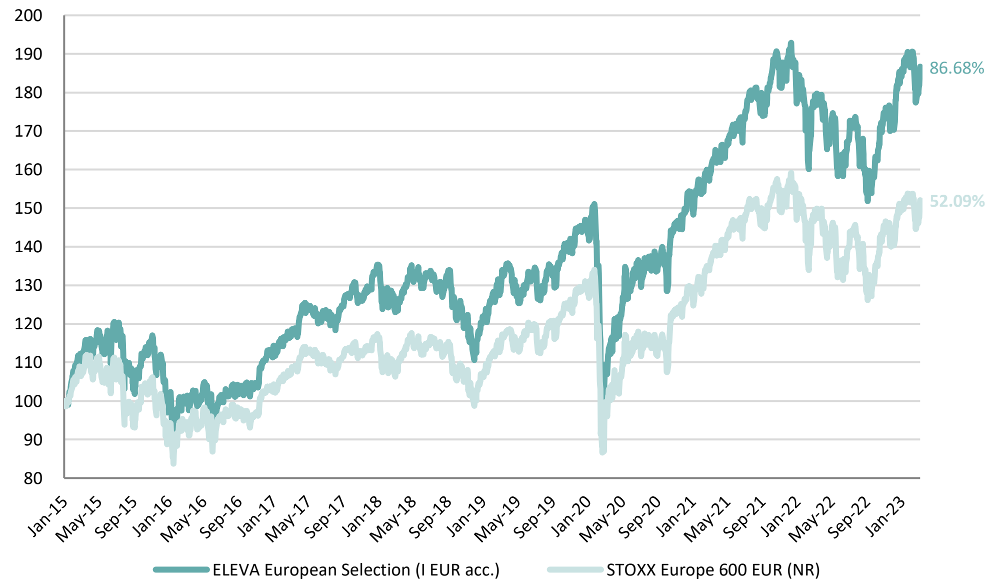
Performance

Sources: ELEVA Capital



Calendar year performance*

	Fund	Index
2015	11.33%	0.76%
2016	-0.52%	1.73%
2017	16.48%	10.58%
2018	-11.88%	-10.77%
2019	26.81%	26.82%
2020	3.17%	-1.99%
2021	28.33%	24.91%
2022	-10.77%	-10.64%
2023	9.63%	8.39%

Cumulative performance*

	Fund	Index
1 month	-1.01%	-0.32%
3 months	9.63%	8.39%
6 months	21.44%	19.06%
9 months	16.04%	13.91%
1 year	5.00%	3.06%
3 years	70.53%	53.13%
5 years	49.36%	40.00%
Since inception	86.68%	52.09%

Monthly Comment

Markets were under heavy pressure in March with three regional banks failing in the US, precipitating the demise of Credit Suisse. Markets nevertheless staged a recovery in the month thanks to good corporate news flow and expectations that the Fed will be more dovish going forward with a material shift in interest rate expectations in the period. ELEVA European Selection is down 1.01% vs the index down 0.32%, an underperformance of 69 bps.

Sector allocation had a slightly negative impact, because of the underweight in consumer staples and the overweight in energy, only slightly offset by the underweight in financials. Stock picking also had a negative impact, mostly because of Cyclicals. Our investment choices in financials, technology and industrials underperformed, but were positive in energy. Quality Growth companies were in favour this month. **Novo Nordisk** continues to show outstanding sales for their diabetes and anti-obesity drugs. **L'Oréal** benefited from its defensive status and the very solid top line momentum for their brands worldwide. There was also more appetite for the defensive attributes of utilities (**Iberdrola**, **National Grid**). Financials were under heavy selling pressure with investors reassessing interest rate expectations and their equity valuations with increasing spreads on AT1 securities. **ING**, **Prudential** and **Lloyds TSB** weighed on the performance this month, and gave back some of their YTD gains. While there is no direct read across from the demise of Credit Suisse, we reduced exposure to financials to take into account a higher risk premium for the sector.

We believe that leading indicators troughed in the summer of last year and that earnings might prove to be more resilient than feared. That said, the financial instability in the US increases the risk of a more pronounced economic downturn in the region and needs to be monitored. Value exposure is down to 42.1%.

Since inception, ELEVA European Selection is up 86.68% vs the index up 52.09%, an outperformance of 3,459 bps.

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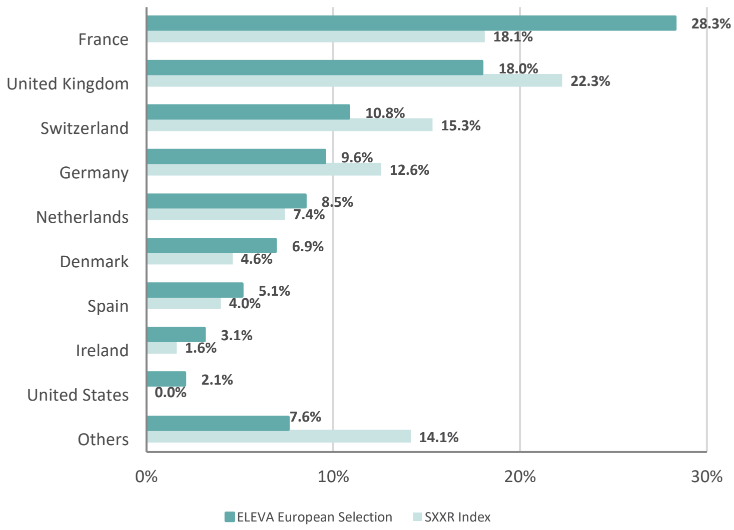
Portfolio analysis

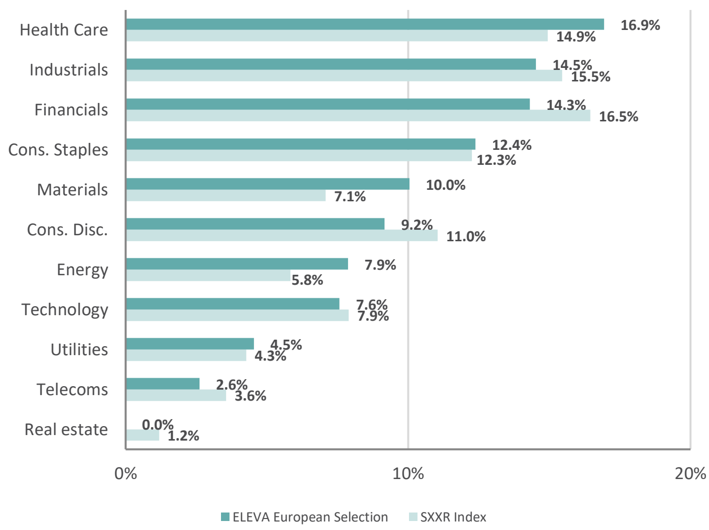
Geographic breakdown

cash excluded



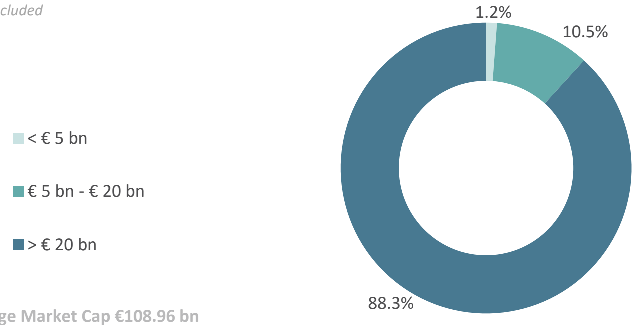
Sector breakdown

cash excluded



Market capitalisation

cash excluded



Average Market Cap €108.96 bn

Risk Indicators

	Fund	Benchmark
Active Weight	68.60%	
Volatility (3 years)	16.82%	17.28%
Beta (3 years)	0.95	
Tracking Error (3 years)	3.46%	
Sharpe ratio (3 years)	1.16	0.89
Sortino Ratio (3 years)	1.62	1.23
Information Ratio (3 years)	1.22	

Top 5 Holdings

Company	Sector	Country	Weight	ESG Score*
NOVO NORDISK A/S-B	Health Care	Denmark	5.20%	76
ASTRAZENECA PLC	Health Care	United Kingdom	4.14%	72
ASML HOLDING NV	Technology	Netherlands	3.28%	84
NESTLE SA-REG	Cons. Staples	Switzerland	3.03%	61
SIEMENS AG-REG	Industrials	Germany	2.81%	61

* ELEVA proprietary score from 0 to 100

Top 3 contributors

Company	Absolute Contribution
NOVO NORDISK A/S-B	48 bps
L'OREAL	24 bps
ASML HOLDING NV	21 bps

Top 3 detractors

Company	Absolute Contribution
ING GROEP NV	-45 bps
PRUDENTIAL PLC	-29 bps
BNP PARIBAS	-27 bps

Additional data

Share class	Launch date	ISIN	Bloomberg Ticker	Distribution policy	NAV
I (EUR) dis.	04/05/2017	LU1111643638	ELEURSI LX	Distribution	1418.89
I (CHF) acc. Hdg	07/08/2015	LU1111643398	EESFICH LX	Accumulation	1522.08
I (GBP) acc. Hdg	27/07/2017	LU1111643471	ELVIGAH LX	Accumulation	1546.90
I (USD) acc. Hdg	05/10/2015	LU1111643125	EESFIUA LX	Accumulation	1965.78

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ESG data

Investment process

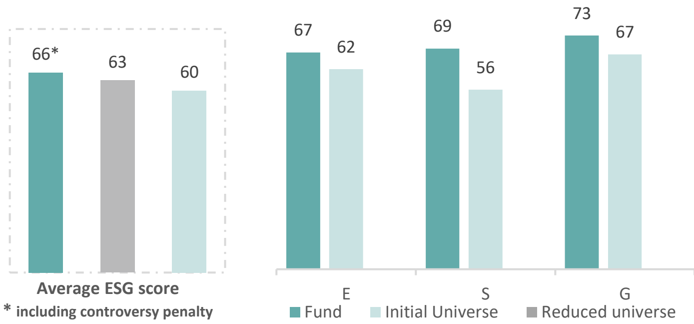
Steps	nb of companies
Initial universe (financial criterias and existence of an ESG score)	806
1. Universe post Exclusions*	794
2. Universe reduced by 20% of issuers with the lowest ESG score	632
Initial universe reduction related to exclusions and ESG selection	22%
3. Portfolio post fundamental research**	49

* Tobacco / Nuclear weapons / Controversial weapons / Violation of the UN Global Compact or ILO conventions or UN guiding principles on Business and Human Rights or OECD guidelines for Multinational Enterprises / Coal (threshold defined by ELEVA's coal policy)

** Fundamental analysis, ESG analysis (ELEVA Capital methodology) & valuation

Source: ELEVA Capital

Average scores of the three pillars with their initial universe



Source: ELEVA Capital, MSCI

The three best ESG ratings of the sub-fund

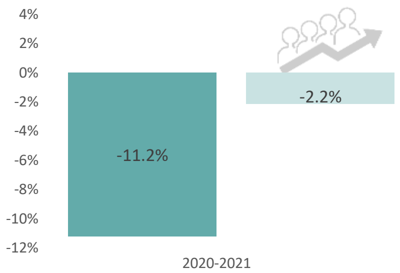
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
NATIONAL GRID PLC	Utilities	United Kingdom	81
SCHNEIDER ELECTRIC SE	Industrials	France	80

The three worst ESG ratings of the sub-fund

Name	Sector	Country	ESG Score
RYANAIR HOLDINGS PLC	Industrials	Ireland	50
RIO TINTO PLC	Materials	United Kingdom	53
MERCEDES-BENZ GROUP AG	Cons. Disc.	Germany	53

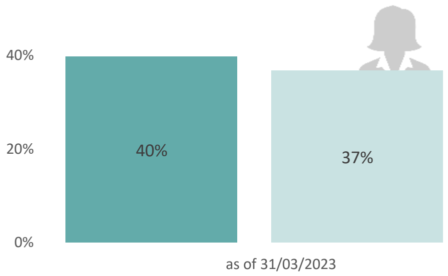
ESG Performances

Growth in the number of employees



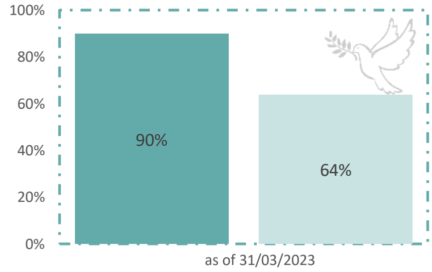
Source: ELEVA Capital

Percentage of women on the board



Source: MSCI, ELEVA Capital

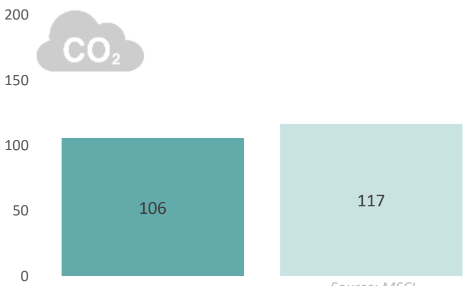
Signatories of the United Nations Global Compact



Source: Global compact

Average carbon intensity

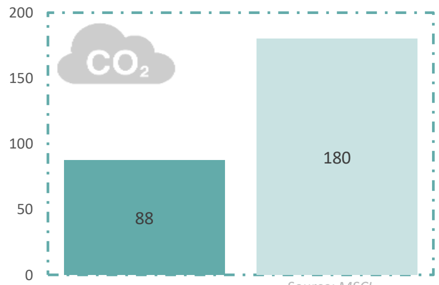
(in tons of CO_2 equivalent per million € of sales)



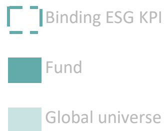
Source: MSCI

Carbon footprint

(in tons of CO_2 equivalent per million € invested)



Source: MSCI



Coverage rate of ESG indicators

	Growth in the number of employees	% women on the board	% Signatories of the United Nations Global Compact	Carbon intensity	Scope 1 et 2 CO2 emissions
Fund	94%	98%	98%	97%	97%
Initial universe	91%	94%	93%	100%	100%

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