

ELEVA Sustainable Impact Europe - Class R

28/03/2024
Monthly report

Investment objective and approach

- Impact strategy investing in European listed companies of all capitalizations and styles
- The sub-fund selects companies with good ESG performance that contribute positively to the achievement of the Sustainable Development Goals through their products and services
- 6 themes in the strategy for solving major environmental and societal challenges: social inclusion, health and well-being, "Tech for good", climate action, water and natural resources, and "Green Cities"
- Use of a macroeconomic vision to guide the positioning of the portfolio
- Recommended investment period: 5 years

Key figures

Net Asset Value in € € 114.25
Asset managed in funds in € € 57 236 691

Risk Indicator



Fund characteristics

Managers: Sonia Fasolo - Matthieu Détrouyat
Legal structure: Luxembourg SICAV - UCITS
Fund launch date: 17/12/2020
Share class launch date: 17/12/2020
ISIN Code: LU2210207234
Classification: European stocks
Benchmark: STOXX Europe 600 Net Return - SXXR
Reference currency: EUR
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: D+2

Fees

Subscription fees: 3% maximum
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

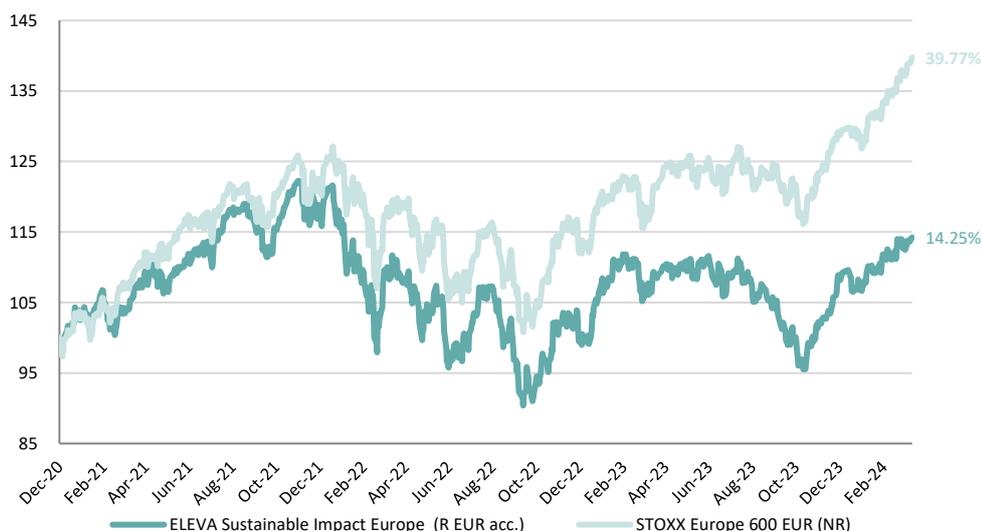
Axel Plichon, Head of Business Development
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This document should be read in conjunction with the prospectus and relevant KIDs which are available on our website www.elevacapital.com.

Past performance is no guarantee of future results. The UCITS Fund does not benefit from any guarantee or protection, so the initial invested capital may not be fully repaid.

Performance

Sources: ELEVA Capital



Calendar year performance

	Fund		Index	
	Fund	Index	Fund	Index
2020	1.10%	0.45%	1 month	2.78%
2021	19.71%	24.91%	3 months	4.24%
2022	-18.13%	-10.64%	6 months	11.83%
2023	10.61%	15.80%	9 months	3.37%
2024	4.24%	7.65%	1 year	4.47%
			3 years	7.95%
			5 years	—
			Since inception	14.25%
				39.77%

Cumulative performance

Monthly Comment

In March, markets continued their upward trend (+4.0% for the STOXX Europe 600 NR), closing the first quarter of 2024 at +7.7%. Leading economic indicators remained positive, except for China, which still struggles to recover. Hopes for a decrease in interest rates in the United States were deferred due to inflation, which remains high in the eyes of the Fed chairman. In Europe, a first interest rate cut is expected in the middle of this year. ELEVA Sustainable Impact Europe was up 2.8% in March and 4.24% since the beginning of the year.

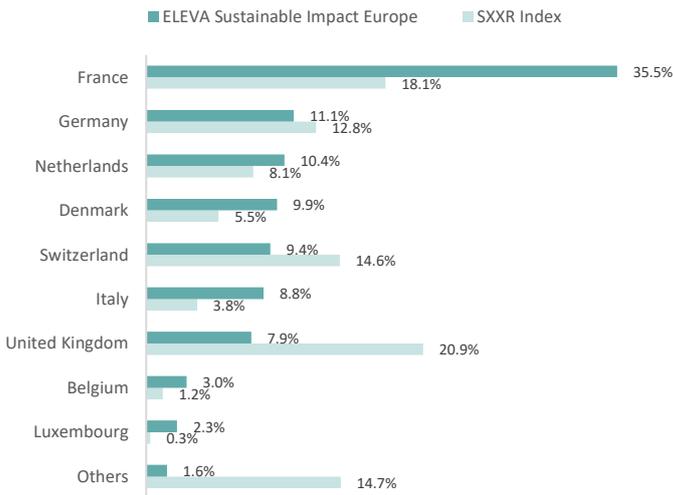
The annual reporting season ended on a positive note for the fund. The top contributor to performance was **Spie**, which once again pleasantly surprised by reporting solid 2023 figures. Having achieved the margin target set for 2025 two years ahead of schedule, management raised its profitability expectations and now aims for a 7% current operating margin in 2025. We took some profits but the stock remains a strong conviction in the portfolio, combining reasonable valuation (13x forward 12-month earnings) and earnings growth driven by organic growth and recent acquisitions. **Amplifon** also reassured investors with an encouraging 2024 outlook, both on growth and margins, with the first months of the year pointing in this direction. **BNP Paribas** regained some ground lost during its previous month's release. The group issued a press release to reassure on its net income trajectory, confirming that it will increase in 2024, thanks to cost rationalization. This should enable the group to return €20 billion to its shareholders over the period 2024-2026, in the form of dividends and share buybacks.

Conversely, the release of **Industrie De Nora's** numbers disappointed, particularly in its 2024-2026 outlook. While the downward revision of growth in the green hydrogen division was widely anticipated, the weakness of margins in the historical activities, mainly due to increased Chinese competition, is bad news that invalidates our investment case. We sold the position.

Portfolio analysis

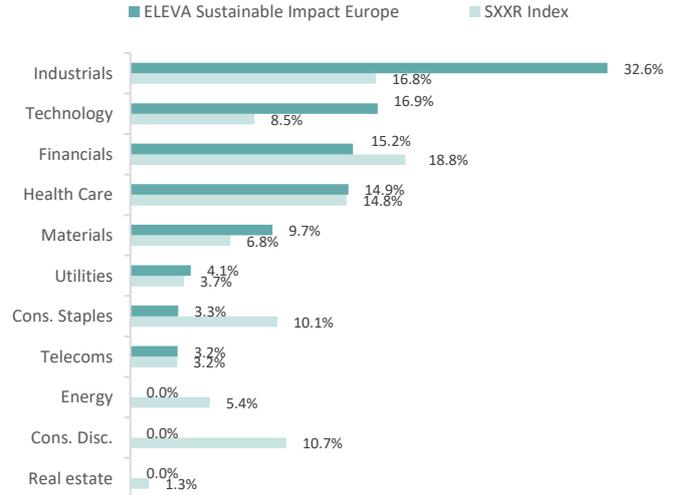
Geographic breakdown

cash excluded



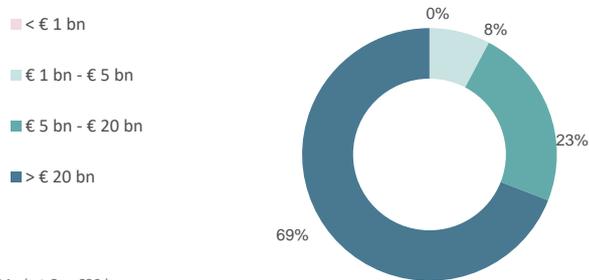
Sector breakdown

cash excluded



Market capitalisation

cash excluded



Risk indicators

	Sub-fund	Benchmark
Active Weight	82.1%	
Volatility*	15.65%	14.34%
Beta*	1.03	
Tracking error*	5.33%	
Sharpe ratio*	0.19	0.67
Sortino ratio*	0.29	0.90
Information ratio*	-1.24	

* since inception

Top 5 Holdings

Company	Sector	Country	Weight	Impact themes	ESG Score**
ASML HOLDING NV	Technology	Netherlands	5.1%	Tech for good	84
RELX PLC	Industrials	United Kingdom	4.6%	Social Inclusion	76
NOVO NORDISK A/S-B	Health Care	Denmark	4.5%	Health & well being	69
DSM-FIRMENICH AG	Materials	Switzerland	4.2%	Social Inclusion	68
SCHNEIDER ELECTRIC SE	Industrials	France	4.1%	Climate actions	80

** ELEVA proprietary score from 0 to 100

Top 3 contributors

Name	Absolute Contribution
SPIE SA	54 bps
BNP PARIBAS S.A. CLASS A	49 bps
AMPLIFON S.P.A.	43 bps

Top 3 detractors

Name	Absolute Contribution
INDUSTRIE DE NORA SPA	-23 bps
CAPGEMINI SE	-14 bps
WAGA ENERGY SA	-11 bps

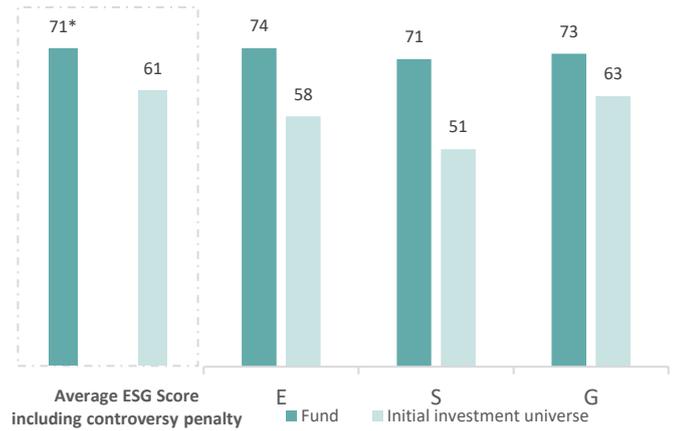
ESG data

Investment process	nb of companies
European companies with an ESG score	1456
1. Universe post Exclusions*	1301
2. Universe post ESG selection (score ≥ 60/100)	551
Universe reduction related to exclusions and ESG selection	62%
3. Universe post Impact analysis**	210
4. Portfolio post fundamental research***	32

Methodology
 * Fossil fuel/Tobacco/Alcohol/Weapons/Gaming/adult entertainment/Violation of the UN Global Compact or ILO conventions or UN guiding principles on Business and Human Rights or OECD guidelines for Multinational Enterprises
 ** Proprietary SDG methodology. SDG contribution ≥ 20% of revenues + green light from business operations
 *** Fundamental analysis, ESG analysis (ELEVA Capital methodology) & valuation

Source: ELEVA Capital

Average scores of the three pillars with their initial universe



Sources: ELEVA Capital, MSCI

The three best ESG ratings of the sub-fund

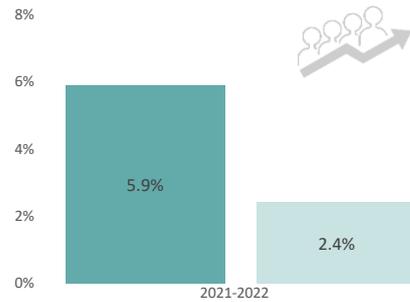
Name	Sector	Country	ESG Score
ASML HOLDING NV	Technology	Netherlands	84
SCHNEIDER ELECTRIC SE	Industrials	France	80
RELX PLC	Industrials	United Kingdom	76

The three worst ESG ratings of the sub-fund

Name	Sector	Country	ESG Score
COMPAGNIE DE SAINT GOBAIN	Industrials	France	63
BNP PARIBAS	Financials	France	64
INTESA SANPAOLO	Financials	Italy	65

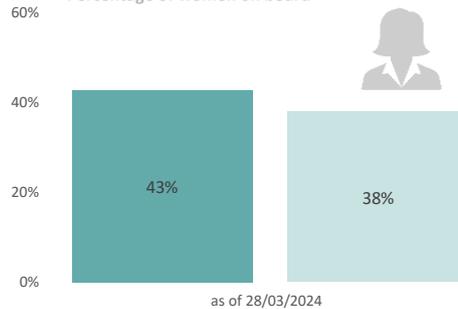
ESG Performances

Growth in the number of employees



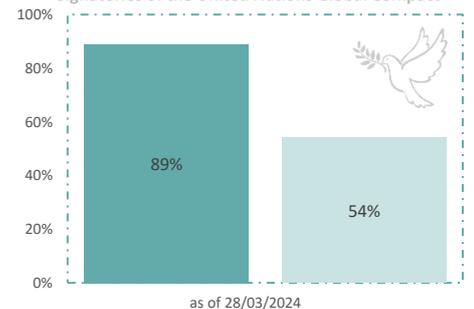
Source: ELEVA Capital

Percentage of women on board



Sources: MSCI, ELEVA Capital

Signatories of the United Nations Global Compact



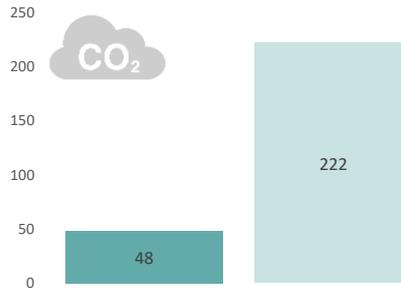
Source: Global compact

Average carbon intensity (in tons of CO₂ equivalent per million € of sales)



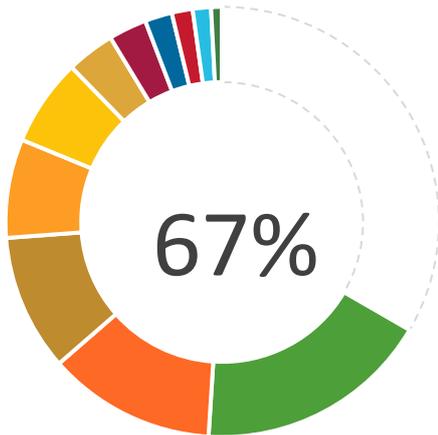
Source: MSCI

Carbon footprint (in tons of CO₂ equivalent per million € invested)



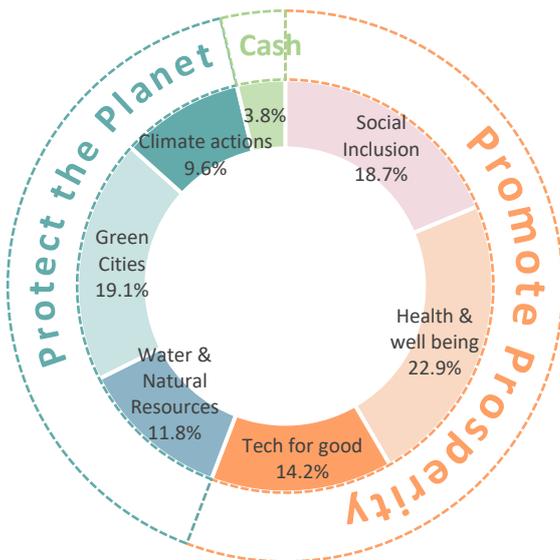
Source: MSCI

Alignment with the Sustainable Development Goals (SDGs) as a percentage of revenues



1	0.0%	No poverty	9	12.6%	Industry, innovation, infrastructure
2	3.6%	Zero hunger	11	7.4%	Sustainable cities
3	17.6%	Good health & well being	12	10.2%	Responsible consumption & prod.
4	1.6%	Quality education	13	0.8%	Climate actions
5	0.0%	Gender equality	14	0.0%	Life below water
6	1.4%	Clean water & sanitation	15	0.0%	Life on land
7	6.5%	Affordable & clean energy	16	2.0%	Peace, justice, strong institutions
8	2.8%	Decent work & economic growth	0	33.4%	No exposure to SDG, including cash

Exposure to the 6 sustainable themes



ELEVA Sustainable Impact Europe is exposed to 6 themes, grouped into two main families:

- Protect the environment:

- Climate action (SDG 7, 13): Solutions to adapt to climate change, low-carbon products, renewable energy...
- Water & natural resources (SDGs 6, 12, 14, 15): Access to clean water, water treatment, sustainable forestry...
- Sustainable cities (SDG 11): affordable housing, sustainable transportation, waste management...

- Promote Prosperity:

- Social Inclusion (SDGs 1, 2, 4, 5, 8): Essential and affordable products, access to financial services...
- Health & Wellness (SDG 3): Medicines, health insurance, medical devices, road safety equipment...
- Tech for good (SDGs 9, 16): Transformational technologies, improving the efficiency of public institutions, fighting cybercrime...

Coverage rate of ESG indicators

	Growth in the number of employees	% women on board	% Signatories of the United Nations Global Compact	Carbon intensity	CO ₂ emissions scope 1 and 2
Fund	100%	100%	96%	100%	100%
Initial universe	90%	81%	84%	85%	85%

Methodology: the formulas for calculating the ESG performance indicators can be consulted in our Transparency Code available on our website

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