

## Managers



**Guillaume Dolisi**  
Fund manager



**Hicham Qasmi**  
Fund manager



**Jordan Alloun**  
Fund manager

The management team can be modified without notice

## Summary Risk Indicator (SRI)



## Key facts

Strategy	Equities
Geography	Europe
Benchmark	MSCI Europe NTR EUR Index (MSDEE15N)
Reference Ccy.	EUR
Launch Date	23/03/2016
No of holdings	113
AuM (MEUR)	45.9

## Legal information

Inv. Manager	Veritas Investment Associates (VIA AM)
Man. Company	Eric Sturdza Management Company SA
Domicile	Luxembourg
Registration	LU, IT (EUR Instit. Only), FR, CH, UK, AT, DE, SE
Legal Form	SICAV / UCITS
Fund Admin.	Caceis Bank, Luxembourg Branch
Custodian	Caceis Bank, Luxembourg Branch
Auditor	KPMG
Sub./Red. Freq.	Daily
Cut-off	T - 12:00 CET
Settlement Date	T + 2

## Available share classes

	Super Instit. (SI)	Instit. (I)	Private (P)
Min. Invest.	€ 5m	€ 0.2m	€ 1,000
Entry Charge (max.)	0.50%	0.50%	0.50%
Exit Charge	0.00%	0.00%	0.00%
Mgmt. Fees	0.54%	0.76%	1.50%
Operat. Exp.	0.22%**	0.22%**	0.22%**
Subscript. Tax	0.01%	0.01%	0.05%
<b>Ongo. Chgs.</b>	<b>0.77%</b>	<b>0.99%</b>	<b>1.77%</b>
Perf. Fees	10.00%	10.00%	10.00%
NAV	1649.11	1628.89	1534.28

## Share classes identifiers

	SI	I	P
ISIN	LU1369528622	LU1369529356	LU1369529786
BGG	VSEESUE LX	VSEEINE LX	VSEEPRE LX

February 2024

Reporting – Marketing documentation



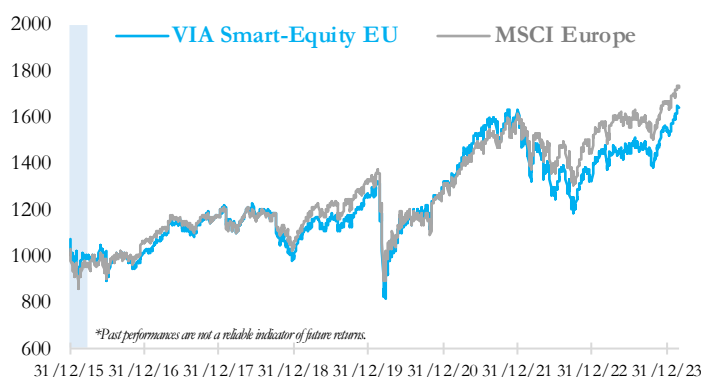
# VIA Smart-Equity Europe (EUR)

Sustainable Finance Disclosure Regulation (SFDR) : Article 8

## Investment objectives & strategy

VIA Smart-Equity Europe is a UCITS fund invested in European Equities through a systematic approach. Its strategy consists in selecting liquid European companies with the best value creation profile from a shareholder's point of view that have at the same time high profitability, good perspectives and relatively inexpensive valuations. In order to better account for the economic reality of the stocks, their accounting data are normalized prior to assess their fundamentals. The portfolio is reviewed monthly to ensure proper reactivity, but it is rebalanced only by fraction to limit timing dependency and slippage. The strategy is implemented mostly through the purchase of stocks, but derivatives may also be used to reduce risk and enhance performance.

## Historical performance & statistics (SI EUR share class)\*



### SI-EUR Bench.

Ann. Return	5.4%	6.5%
Volatility	17.4%	16.6%
Sharpe Ratio	0.31	0.39
Max. Drawd.	-38.4%	-35.3%
Beta	1.01	
Track. Err.	4.9%	
Info. Ratio	-	

	2016	2017	2018	2019	2020	2021	2022	2023	2024
<b>Fund</b>	-4.64%	15.11%	-14.31%	24.62%	2.73%	25.88%	-18.18%	17.34%	5.82%
<b>Bench.</b>	2.58%	10.24%	-10.57%	26.05%	-3.32%	25.13%	-9.49%	15.83%	3.55%

## Market performance

	SI-EUR	I-EUR	P-EUR	Bench.
1 Mth	4.0%	3.9%	3.9%	1.9%
YTD	5.8%	5.8%	5.6%	3.5%
1 Y	12.9%	12.6%	11.8%	10.4%
3 Y	25.2%	24.5%	21.8%	33.5%
5 Y	47.8%	46.9%	41.4%	49.7%
Launch	64.9%	62.9%	53.4%	78.7%
31/12/2015	54.0%	52.0%	42.9%	67.4%

## Economic value created VIA leap®

Economic Net Asset Value variation per unit (SI-EUR)

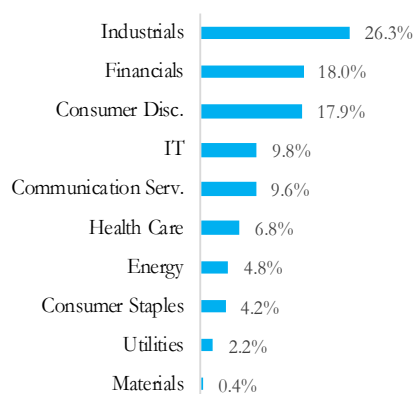
	Initial NAV	SI-EUR	Bench. EUR
1 Mth	€ 1,586	+€ 29 (+1.8%)	-€ 30 (-1.9%)
YTD	€ 1,558	+€ 13 (+0.8%)	-€ 18 (-1.2%)
1 Y	€ 1,461	+€ 122 (+8%)	+€ 44 (+3.0%)
3 Y	€ 1,317	+€ 452 (+34%)	+€ 218 (+17%)
5 Y	€ 1,116	+€ 501 (+45%)	+€ 285 (+26%)
Launch	€ 1,000	+€ 642 (+64%)	+€ 359 (+36%)
31/12/2015	€ 1,071	+€ 665 (+62%)	+€ 365 (+34%)

Download the VIA leap® reporting [here](#)

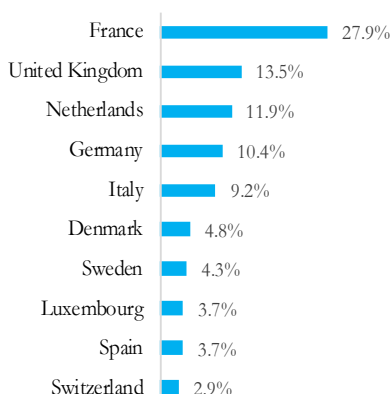
Sources: VIA AM, Bloomberg. Data range from December 31st 2015 to February 29th 2024. Performances between December 31st 2015 and March 23rd 2016 are based on the VIA Smart Equity Europe strategy as calculated and published on Bloomberg by an independent calculation agent since December 31st 2015, net of all fees. Performance since March 23rd 2016 is based on the live track of the VIA Smart Equity Europe fund. Past performances are not a reliable indicator of future returns. leap performances are computed using normalized data when available. When not available, accounting data are used instead for the strategy and the benchmark. The benchmark used for the economic performance computation is weighted by market capitalization. \*\* Capped to a maximum of 0.25% per year of the net asset value according to the Prospectus.

## Portfolio analysis

### Sector breakdown



### Country breakdown



### Morningstar Stylebox™ (in %)

	Value	Core	Growth	
18.9	20.4	34.7	Large	
8.0	9.5	7.6	Mid	
0.5	0.4	0.0	Small	

For confidentiality purposes, the stylebox is presented with a 3-months lag. Data as of January 31<sup>st</sup> 2024 © 2024 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Sources: VIA AM, Bloomberg - asset breakdown and top holdings as of February 29th 2024

### Portfolio fundamentals

Fund	Profitability <sup>3</sup>		Valuation <sup>4</sup>		Earnings Growth*
	Accounting	Normalized <sup>1</sup>	Accounting	Normalized <sup>1</sup>	
Fund	20.9%	21.2%	12.2	12.2	3.1% / 14.3%
Synthetic benchmark <sup>2</sup>	20.2%	15.5%	14.3	15.8	12.0% / 16.0%

Computation methodology change for calculating average portfolio valuation: P/E <1x are excluded to avoid outliers

\*The 1<sup>st</sup> number corresponds to the expected 12-months earnings growth, the 2<sup>nd</sup> corresponds to the expected 12-months earnings growth in 12 months.

1. Normalized Data aim to reflect the economic reality of corporates on a comparable basis.

2. The synthetic benchmark is composed of 600 European companies making up the fund selection universe, weighted by market cap.

3. Accounting profitability is calculated using the RoE/RoEA, while the normalized version uses the Economic Profitability (when available).

4. Accounting valuation is calculated using the P/E ratio, while the normalized version uses the economic P/E (when available).

### Top holdings

1	Novo Nordisk A/S	2.89%
2	Informa PLC	2.85%
3	Accor SA	2.71%
4	ASML Holding NV	2.54%
5	RELX PLC	2.37%
6	Capgemini SE	2.36%
7	Assicurazioni Generali SpA	2.35%
8	LVMH	2.33%
9	Schneider Electric SE	2.23%
10	Stellantis NV	1.98%

## Managers' update

**Markets:** In February, European equity markets continued their 2023 momentum. The MSCI Europe Market Cap returned +1.9%. But as was the case last year, the market average is lagging behind: the MSCI Europe Equal Weight is up only +0.9%... The success of passive funds, mainly Market Cap weighted, continues to distort valuation levels according to the size of the companies. Still, the difference is absolutely not justified by greater wealth creation from the largest companies, but rather by the expansion of multiples... Over 100 years, this shift in valuation has little predictive capacity for the next 12 months. But over 10 years, it is very predictive: the more you pay, the lower the average future returns, ceteris paribus. Let's not forget that Market Cap ETFs don't ask themselves how much they pay for the stocks, but what their weight is in the index! In this context, despite a strong equal-weighting bias, the VIA Smart Equity Europe fund managed to outperform its benchmark, with a monthly increase of +4% (SI-EUR).

**Factors & Stock Selection** (relative to the Market Cap. benchmark): During this second month of the year, factor contributions emerge in positive territory, mainly due to overexposure to the Momentum factor. But exposures to the industrial segment and midcaps weigh on performance.

The stock selection is also well oriented, with in particular with the positive contribution of the Stellantis, which gained almost 19% in February, following good earnings publications (+11% in 2023), the increase in the dividend and an announcement of a share buyback worth 3 billion euros. Note, however, that the stock remains particularly cheap, with an economic PER of only 4x, for an economic profitability of 27%. Outside of pure electric players like Tesla, or the luxury segment like Ferrari, the risk premium remains very significant for this particular sector. Investors do not seem to believe in the future of general auto manufacturers...

In the last monthly selection, we can note the re-selection of Securitas. The stock offers an attractive profile, with a normalized P/E of 14x, for an economic profitability of 22%. In traditional accounting, these ratios appear much less favorable, at 51x and 4%. A new example of the importance of accounting normalization for equity analysts!

**Outlook:** There are very different approaches to successful long-term equity investing. In contrast to passive management that selects and weights stocks based on their sizes, we prefer a two-step approach, betting that if we can select companies capable of offering the maximum wealth creation for shareholders, then the portfolio's market value will follow suit. Despite the volatility displayed during multiple contraction/expansion phases, this "super factor" explains much of the long-term equity market performance. Moreover, when markets deviate from their economic performance, it generally presents investment or divestment opportunities. With the VIA Smart Equity Europe fund, we adopt a diversified, Buy & Hold approach, focused on maximizing long-term shareholder value creation. The fund continues to display satisfactory fundamentals, with an economic return on capital (Economic Profitability) of 21% for an economic PER of 12x (FEV/Economic Assets/ Economic Profitability), while maintaining significant diversification (around 110 different companies).

Please find the **VIA leap**<sup>®</sup> monthly report, measure of the fund's real economic performance [here](#). This reporting, unique in the world, intends to offer a measure of the wealth creation of our strategies, compared to the benchmark wealth creation and their respective Mark-to-Market performances.

## Rewards



The VIA Smart Equity Europe Fund received a 4-star Morningstar Rating™ Overall. The rating is for the SI-EUR share class only; other classes may have different performance characteristics. Rating as of February 29th 2024.



The VIA Smart Equity Europe Fund received a Morningstar 5-Globe Sustainability Award. Out of 2,629 Europe Flex Cap Equity Funds as of December 31st 2023. Based on 99,9% of AuM. Data is based on long positions only.

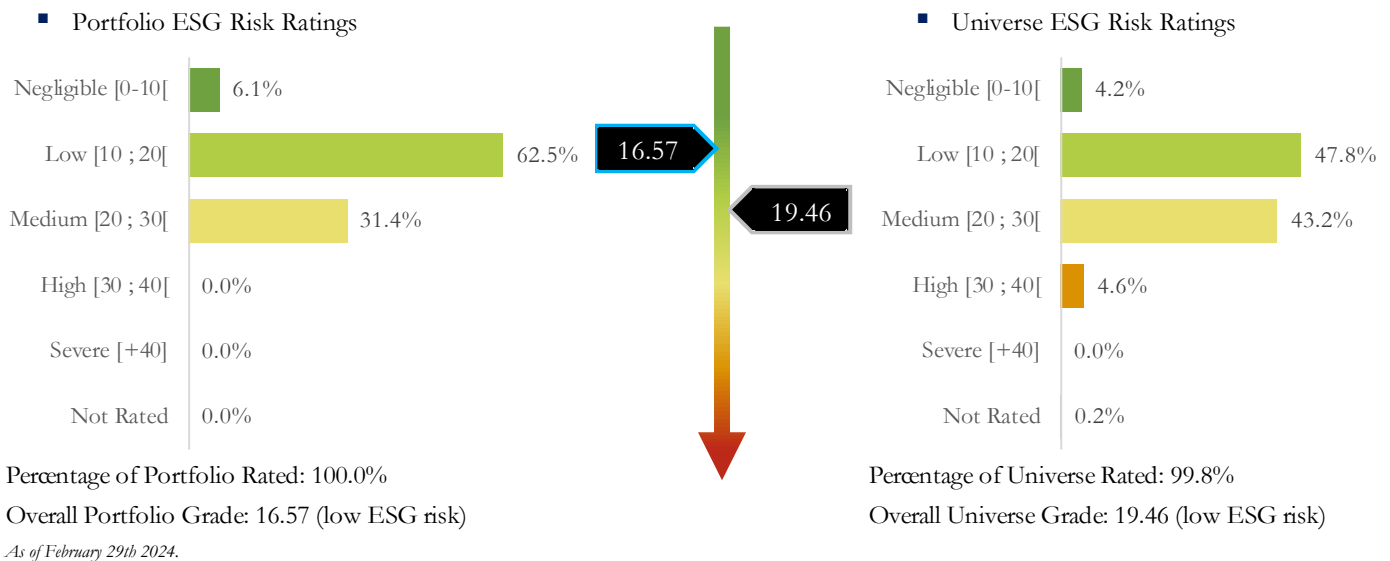


The VIA Smart Equity Europe Fund received a Morningstar Low Carbon Award. Carbon Metrics as of December 31st 2023. Based on 98% of AuM. Data is based on long positions only.

The Morningstar® Sustainability Rating™ is intended to measure how well the issuing companies of the securities within a fund's portfolio holdings are managing their financially material environmental, social and governance, or ESG, risks relative to the fund's Morningstar Global Category peers. The Morningstar® Low Carbon Designation™ is intended to allow investors to easily identify low-carbon funds across the global universe. The designation is an indicator that the companies held in a portfolio are in general alignment with the transition to a low-carbon economy.

## Sustainalytics Rating™

VIA AM incorporates ESG criteria into its investment strategies through three pillars: compliance with an exclusion list of controversial issuers (thermal coal, weapons, tobacco, etc.); consideration of off-balance sheet issues (dismantling of power plants, pension fund deficit, etc.); integration of Sustainalytics Ratings™.



### How to interpret the ESG Risk Ratings?

- **Negligible Risk** (Overall Score of 0-9.99 points): Enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors
- **Low Risk** (10-19.99 points): Enterprise value is considered to have a low risk of material financial impacts driven by ESG factors
- **Medium Risk** (20-29.99 points): Enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors.
- **High Risk** (30-39.99 points): Enterprise value is considered to have a high risk of material financial impacts driven by ESG factors.
- **Severe Risk** (40 and higher points): Enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

The elements specific to VIA AM's ESG approach and to the information requirements of the European regulation (EU) 2019/2088 – The Sustainable Finance Disclosure (SFDR) - can be found in section 4.11 (Sustainability Risks and ESG promotion) of the VIA AM SICAV's Prospectus, which is available on the management company's website as well as in the ESG tab at the following link: <https://www.via-am.com/en/esg>.

Voting right policy and reports can be found on the following link: <https://www.via-am.com/en/legal-notice>.

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Risk factors: VIA AM recommends that investors carefully read section 5 “General risk factors” of the product prospectus.

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The MSCI Europe Index captures large and mid cap representation across 15 Developed Markets (DM) countries in Europe. With 429 constituents, the index covers approximately 85% of the free float-adjusted market capitalization across the European Developed Markets equity universe.

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