

DNCA INVEST BEYOND ALTEROSA

FLEXIBLE ASSET SRI



Investment objective

The Sub-Fund seeks to outperform the 30% MSCI World All Countries World Net Return + 70% Bloomberg Barclays Pan European Corporate Euro Hedged Index, calculated with dividends reinvested, over the recommended period. Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria. The Sub-Fund is managed taking into consideration Responsible and Sustainable principles and has as its objective sustainable investment within the meaning of Article 9 of SFDR. The Sub-Fund is managed taking into consideration responsible and sustainable principles and aims to be target issuers with a significantly exposure of percentage or their revenues to the 17 Sustainable Development Goals of the United Nations.

To achieve its investment objective, the investment strategy is based on active discretionary management.

Financial characteristics

NAV (€)	114.93
Net assets (€M)	179
Number of equities holdings	31
Price to Earning Ratio 2024 ^e	26.0x
Price to Book 2023	4.1x
EV/EBITDA 2024 ^e	15.7x
ND/EBITDA 2023	1.6x
Free Cash Flow yield 2024 ^e	1.95%
Dividend yield 2023 ^e	1.25%
Number of issuers	75
Average modified duration	2.90
Net modified duration	2.12
Average maturity (years)	3.86
Average yield	4.44%
Average rating	BB+

Performance (from 17/12/2018 to 31/07/2024)

Past performance is not a guarantee of future performance

▲ DNCA INVEST BEYOND ALTEROSA (A Share) Cumulative performance ▲ Reference Index⁽¹⁾



⁽¹⁾30% MSCI All Countries World NR + 70% Bloomberg Barclays Pan European Corporate Euro Hedged Index

Annualised performances and volatilities (%)

	1 year	3 years	5 years	Since inception
A Share	+9.27	-0.11	+1.48	+2.50
Reference Index	+10.89	+0.96	+2.21	+3.78
A Share - volatility	3.49	4.71	5.97	5.83
Reference Index - volatility	4.20	5.67	6.68	6.46

Cumulative performances (%)

	1 month	3 months	YTD	1 year	3 years	5 years
A Share	+1.60	+3.43	+5.87	+9.27	-0.34	+7.63
Reference Index	+1.40	+3.97	+5.96	+10.89	+2.91	+11.58

Calendar year performances (%)

	2023	2022	2021	2020	2019
A Share	+6.77	-12.58	+2.57	+0.67	+13.20
Reference Index	+11.21	-13.87	+4.22	+3.59	+12.89

The performances are calculated net of any fees by DNCA FINANCE.

Risk indicator



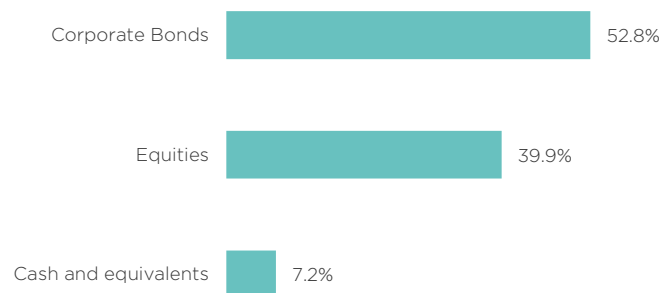
Lower risk Higher risk

Synthetic risk indicator according to PRIIPS. 1 corresponds to the lowest level and 7 to the highest level.

	1 year	3 years	5 years	Since inception
Sharpe Ratio	2.63	-0.02	0.25	0.43
Tracking error	3.16%	4.49%	4.33%	4.18%
Correlation coefficient	0.68	0.64	0.77	0.77
Information Ratio	-0.61	-0.24	-0.17	-0.31
Beta	0.56	0.53	0.69	0.70

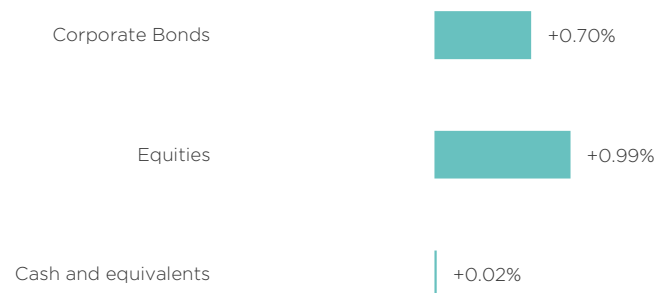
Main risks: interest-rate risk, credit risk, equity risk, risk related to investments in emerging markets, risk of capital loss, risk of investing in derivative instruments as well as instruments embedding derivatives, specific Risk linked to ABS and MBS, distressed securities risk, ESG risk, risk related to exchange rate, specific Risks linked to Convertible, Exchangeable and Mandatory Convertible Bonds, specific risks of investing in contingent convertible bonds (Cocos), sustainability risk, bond risk 144A

Asset class breakdown



Monthly performance contributions

Past performance is not a guarantee of future performance



Sector breakdown (ICB)

	Fund	Index
Industrial Goods and Services	21.9%	9.2%
Health Care	21.2%	7.4%
Utilities	13.3%	6.7%
Banks	8.3%	22.0%
Technology	7.6%	9.8%
Construction and Materials	4.8%	1.7%
Chemicals	3.2%	1.8%
Telecommunications	3.0%	4.6%
Automobiles and Parts	2.2%	4.2%
Consumer Products and Services	1.5%	2.5%
Media	1.4%	1.1%
Basic Resources	1.4%	1.0%
Energy	1.3%	4.0%
Food, Beverage and Tobacco	0.9%	4.6%
Real Estate	0.8%	5.0%
Retail	-	1.9%
Personal Care, Drug and Grocery	-	1.5%
Govies	-	0.0%
Insurance	-	4.1%
Financial Services	-	5.6%
Travel and Leisure	-	1.4%
Cash and equivalents	7.2%	0%

Country breakdown

	Fund	Index
France	19.9%	13.6%
USA	19.7%	31.5%
Italy	8.5%	3.6%
United Kingdom	7.7%	11.4%
Japan	5.3%	2.7%
Spain	5.1%	4.0%
India	4.0%	0.6%
Denmark	3.0%	1.4%
Germany	2.8%	9.1%
Switzerland	2.6%	3.2%
Netherlands	2.2%	4.8%
Belgium	2.0%	1.3%
Taiwan	1.7%	0.6%
Sweden	1.6%	2.4%
Finland	1.4%	0.6%
Ireland	1.1%	0.7%
Australia	1.0%	1.7%
Portugal	1.0%	0.2%
Korea (South)	0.9%	0.4%
Israel	0.6%	0.1%
Luxembourg	0.5%	0.9%
Other Countries	-	5.3%
Cash and equivalents	7.2%	0%

Bonds portfolio composition and indicators

	Weight	Maturity (yrs)	Modified duration	Yield	Number of lines
Fixed rate bonds	35.68%	4.19	3.42	4.09%	60
Hybrid bonds	8.47%	2.26	2.15	5.51%	12
Floating-rate bonds	6.13%	5.14	1.49	4.28%	9
Convertible bonds	2.56%	1.51	1.43	6.13%	4
Total	52.84%	3.86	2.90	4.44%	85

Changes to portfolio holdings*

In: CCK 4 1/2 01/15/30 (4.9), EDENFP 3 5/8 08/05/32 (5.4) and ROSINI Float 12/31/29 (5.6)

Out: None

*The figure between brackets represents the issuer's 'responsibility' score. Please refer to the Internal Extra-financial analysis page for the analysis methodology.

Equity portfolio (39.9%)

Main positions⁺

	Weight
ASTRAZENECA PLC (4.7)	2.42%
NOVO NORDISK A/S-B (6.3)	1.98%
DANAHER CORP (6.0)	1.92%
BHARTI AIRTEL LTD (4.9)	1.90%
BUREAU VERITAS SA (6.3)	1.80%

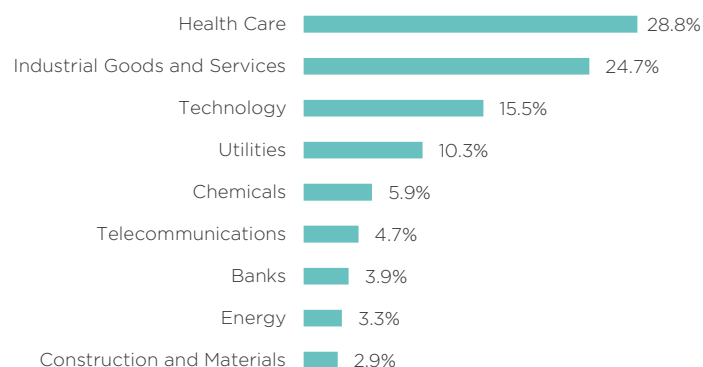
Monthly performance contributions

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Best	Weight	Contribution
BUREAU VERITAS SA	1.80%	+0.25%
DAIICHI SANKYO CO LTD	1.37%	+0.21%
DANAHER CORP	1.92%	+0.17%
PRYSMIAN SPA	1.67%	+0.15%
THERMO FISHER SCIENTIFIC INC	1.33%	+0.12%

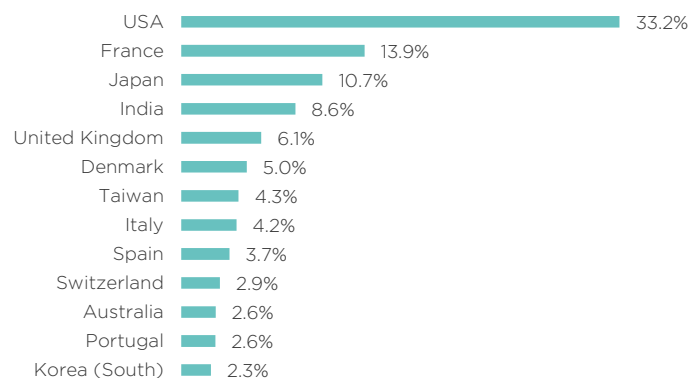
Worst	Weight	Contribution
NOVO NORDISK A/S-B	1.98%	-0.21%
SAMSUNG SDI CO LTD	0.90%	-0.10%
TAIWAN SEMICONDUCTOR MANUFAC	1.73%	-0.10%
PALO ALTO NETWORKS INC	1.76%	-0.10%
HDFC BANK LIMITED	1.55%	-0.09%

Sector breakdown (ICB)



Equity portfolio (base 100)

Country breakdown



Equity portfolio (base 100)

Bond portfolio (52.8%)

Main positions⁺

	Weight
Pearson Funding PLC 1.38% 2025 (4.9)	1.43%
Banco Bilbao Vizcaya Argentaria SA 2030 FRN (6.4)	1.38%
Iberdrola International BV PERP (6.8)	1.35%
Thermo Fisher Scientific Inc 2.6% 2029 (5.0)	1.19%
Verallia SA 1.63% 2028 (5.9)	1.14%

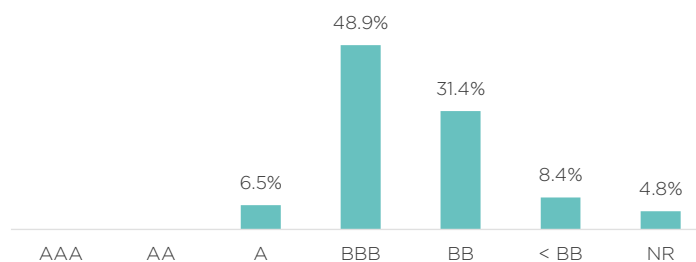
Monthly performance contributions

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Best	Weight	Contribution
KIELN 9 02/15/29	0.72%	+0.03%
BIOGRP 3 3/8 02/01/28	0.52%	+0.02%
GRAANU 4 5/8 10/15/26	0.49%	+0.02%
MOTOPG 4 01/17/30	0.92%	+0.02%
TMO 2.6 10/01/29	1.19%	+0.02%

Worst	Weight	Contribution
NEXIIM 0 02/24/28	0.57%	+0.00%
CCK 4 1/2 01/15/30	0.31%	0%
EDENFP 3 5/8 08/05/32	0.45%	+0.00%
OI 5 1/4 06/01/29	0.56%	+0.00%
AMPIM 11/8 02/13/27	0.53%	+0.00%

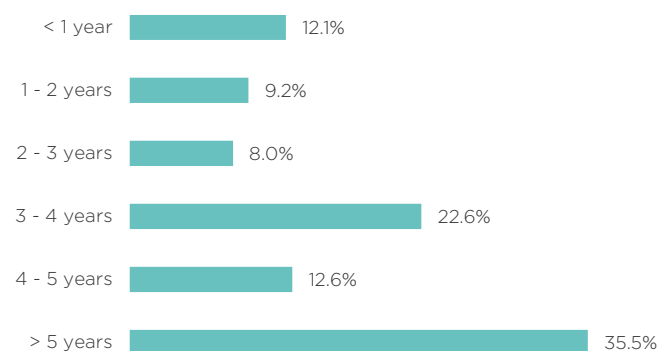
Rating breakdown



Bonds portfolio (base 100)

These data are provided for guidance purposes only. The management company does not systematically and automatically use ratings issued by credit rating agencies and carry out its own credit analysis.

Maturity breakdown



Bonds portfolio (base 100)

*The figure between brackets represents the issuer's 'responsibility' score. Please refer to the Internal Extra-financial analysis page for the analysis methodology.

Portfolio managers comments

Macro/markets

Equity markets closed slightly higher in July. Volatility has risen sharply.

The political environment remains central. The French situation is at a standstill, with three major blocs emerging but with no clear majority. The American campaign is in turmoil following the assassination attempt on Donald Trump and the withdrawal of Joe Biden, who has been replaced by his vice-president Kamala Harris. The Republican candidate for the White House still has a lead, but the margin is narrowing.

From a macroeconomic point of view, strong GDP growth in the United States (+2.8% compared with the previous quarter) confirms the robustness of the US economy. US inflation surprised on the downside for the second month running. Headline inflation came out at +3.0% (vs. +3.3% yoy) and core inflation, which excludes highly volatile prices such as energy and food, at +3.3% (vs. +3.4%). However, the US labour market is beginning to show some signs of running out of steam. The pace of hiring in the private sector is slowing and the unemployment rate, at 4.1%, is rising for the third month in a row. The US yield curve has steepened considerably. Fed Chairman Jerome Powell hinted at a possible rate cut at the September meeting. In the eurozone, GDP rose by 0.3% in the second quarter. Business sentiment surprised to the downside. The composite PMI came in at 50.1, compared with 50.9 in June. Core inflation remained stable at 2.9%. Unsurprisingly, the ECB, awaiting reassuring inflation figures, left its rates unchanged. The third plenum of the Chinese Communist Party was disappointing, with no concrete measures announced.

The political environment will remain one of the main factors driving equity market performance and volatility in the third quarter, particularly in the United States. Although the US economy remains robust, the first signs of weakness could appear and fuel volatility, particularly in the labour market. Inflation data are pointing in the right direction. Monetary normalisation seems to be behind us.

Once again in 2024, July benefited from a positive seasonal effect for bonds. In Europe, credit benefited from a narrowing of the spread in addition to the movement in rates: investment grade generated a performance of +1.7% and high yield +1.3% over the month. In the United States, a more massive interest-rate cut offset a slight spread widening: investment grade returned 2.4% and high yield 1.7%. Technical factors remained strong, with inflows still significant (+€524m on investment grade, +€649m on high yield). Despite the summer season and the blackout period, primary issuance was buoyant: €26bn was issued in investment grade and €12.4bn in high yield, historically high amounts. The appetite of investors is there and the main reason remains refinancing.

Allocation

Alterosa's performance in July was 1.6%, compared with 1.4% for its benchmark index.

At the end of the month, the equity exposure was around 39.5%. At the end of the month, the fund's equity exposure comprised 30 stocks, of which the top three holdings were : AstraZeneca (2.4%), Novo Nordisk (2.0%) and Danaher (1.9%).

The level of Eurostoxx future hedging was maintained at 13.5%. Net equity exposure remained close to 26% at the end of July.

We are keeping 52.9% of the portfolio invested in bonds, with a 29.3% bias towards investment grade ratings. At the end of the month, the yield was 4.4% with a net duration of 2.1

Equity portfolio

Over the month, the main contributors to the performance of the equity portfolio were : Bureau Veritas (+52 bps), Daiichi Sankyo (+43 bps) and Danaher (+33 bps). Conversely, the worst contributors were : Novo Nordisk (-42 bps), Samsung SDI (-25 bps) and Palo Alto (-23 bps).

There were no movements this month.

Bond portfolio

Alterosa's bond portfolio generated a positive performance, benefiting from the favourable credit environment, despite costly interest-rate hedging. Investments in USD and GBP performed well. The ratings that contributed most to performance were BBB and BB. B ratings and AT1 financial debt also performed well.

At sector level, health, capital goods, utilities, basic industries and banking are the main contributors. Transport, media, consumer goods, technology and real estate made smaller but positive contributions.

The issuers making the biggest contribution to performance are Thermo Fisher in USD (healthcare, medical transition), Iqvia (healthcare, medical transition), Intesa San Paolo (banking, economic transition), AstraZeneca in USD (healthcare, medical transition) and Biogroup (healthcare, medical transition). The smallest contributors are Edenred (technology, lifestyle transition), which enters the portfolio at the end of the month via its primary issue, OI (capital goods, lifestyle transition), Progroup (capital goods, lifestyle transition), Amplifon (healthcare, medical transition) and Unicredit (banking, economic transition).

During the month, we took advantage of a number of opportunities on the primary market with CCK (capital goods, lifestyle transition), Rossini (healthcare, medical transition) and Edenred (technology, lifestyle transition). We took some profits on Banco de Credito Social.

We remain confident about the credit market over the coming month. It still offers an attractive carry and spreads are tight but should be resilient. The downward trend in interest rates, in anticipation of changes in monetary policy, could also provide support.

Text completed on 09/08/2024.



Léa
Dunand-Chatellet



David
Tissandier



Nolwenn
Le Roux, CFA



Romain
Avice



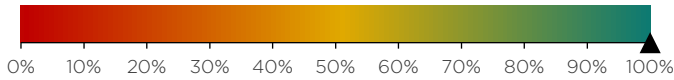
Matthieu
Belondrade, CFA



Romain
Grandis, CFA

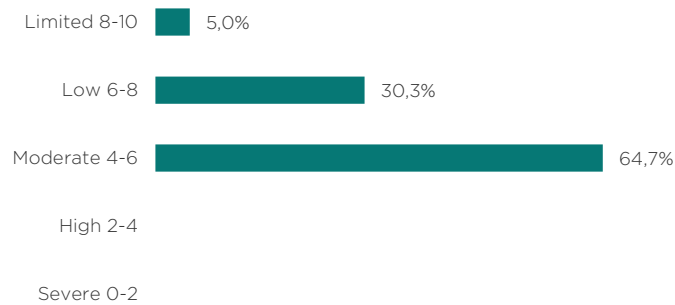
Internal extra-financial analysis

ABA coverage rate+(100%)



Average Responsibility Score: 5.6/10

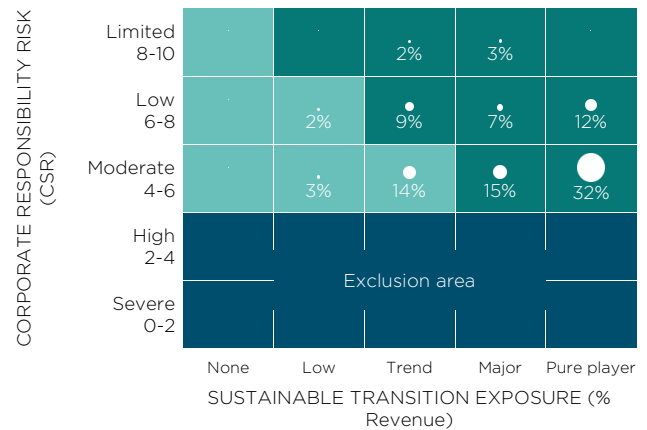
Responsibility risk breakdown⁽¹⁾



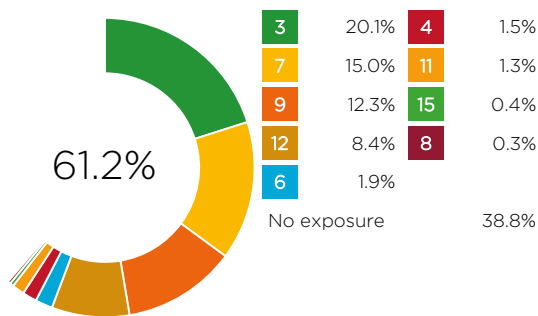
Selectivity universe exclusion rate



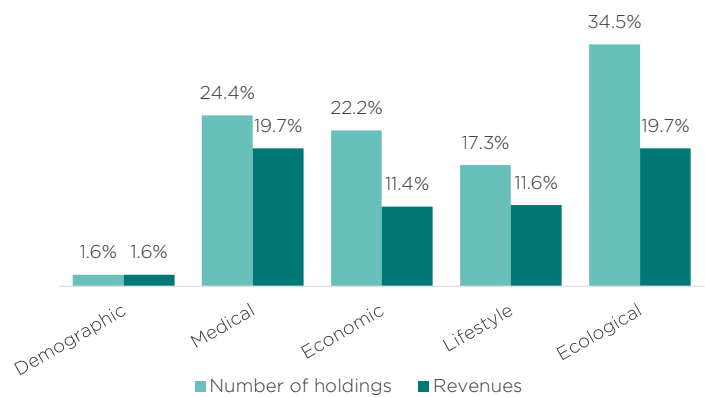
Transition/CSR exposure⁽²⁾



SDG's exposure⁽³⁾
(% of revenues)



Sustainable transitions exposure⁽⁴⁾



Analysis methodology

We develop proprietary models based on our expertise and conviction to add tangible value in the selection of portfolio securities. DNCA's ESG analysis model, Above & Beyond Analysis (ABA), respects this principle and offers a rating that we control the entire construction. Information from companies is the main input to our rating. The methodologies for calculating ESG indicators and our responsible investor and engagement policy are available on our website [by clicking here](#).

⁽¹⁾ The rating out of 10 integrates 4 risks of responsibility: shareholder, environmental, social and societal. Whatever their sector of activity, 24 indicators are evaluated, such as social climate, accounting risks, suppliers, business ethics, energy policy, quality of management.

⁽²⁾ The ABA Matrix combines the Responsibility Risk and the Sustainable Transition exposure of the portfolio. It allows us to map companies to be mapped using a risk/opportunity approach.

⁽³⁾ 1 No poverty. 2 Zero hunger. 3 Good health and well-being. 4 Quality education. 5 Gender equality. 6 Clean water and sanitation. 7 Clean and affordable energy. 8 Decent work and economic growth. 9 Industry, innovation and infrastructure. 10 Reduced inequalities. 11 Sustainable cities and communities. 12 Sustainable consumption and production. 13 Tackling climate change. 14 Aquatic life. 15 Terrestrial life. 16 Peace, justice and effective institutions. 17 Partnerships to achieve the goals.

⁽⁴⁾ 5 transitions based on a long-term perspective of the financing of the economy allow the identification of activities with a positive contribution to sustainable development and to measure the exposure of companies in terms of turnover as well as exposure to the UN Sustainable Development Goals.

*The coverage rate measures the proportion of issuers (equities and corporate bonds) taken into account in the calculation of the extra-financial indicators. This measure is calculated as a % of the net assets adjusted for cash, money market instruments, derivatives and any vehicle outside the scope of "listed equities and corporate bonds".

Principal Adverse Impacts

PAI	Unit	Fund		Ref. Index	
		Coverage	Value	Coverage	Value
PAI Corpo 1_1 - Tier 1 GHG emissions	T CO ₂	85%	7,783	89%	73,514
PAI Corpo 1_2 - Tier 2 GHG emissions	T CO ₂	85%	2,676	89%	14,716
PAI Corpo 1_3 - Tier 3 GHG emissions	T CO ₂	85%	47,901	89%	550,751
PAI Corpo 1T - Total GHG emissions	T CO ₂	85%	58,733	89%	637,755
PAI Corpo 2 - Carbon footprint	T CO ₂ /EUR million invested	85%	328	89%	401
PAI Corpo 3 - GHG intensity	T CO ₂ /EUR million sales	89%	701	99%	828
PAI Corpo 4 - Share of investments in companies active in the fossil fuel sector		8%	8%	10%	10%
PAI Corpo 5 - Share of non-renewable energy consumption and production		86%	69%	97%	66%
PAI Corpo 6_TOTAL - Energy consumption intensity by sector with high climate impact NACE	GWh/EUR million sales	86%	0.6	97%	0.3
PAI Corpo 7 - Activities with a negative impact on biodiversity-sensitive areas		87%	11%	98%	11%
PAI Corpo 8 - Water discharges	T Water Emissions	2%	1,678	1%	6,876
PAI Corpo 9 - Hazardous or radioactive waste ratio	T Hazardous Waste	84%	780,242	87%	2,538,167
PAI Corpo 10 - Violations of UNGC and OECD principles		90%	0%	98%	0%
PAI Corpo 11 - Lack of UNGC and OECD compliance processes and mechanisms		86%	0%	98%	1%
PAI Corpo 12 - Unadjusted gender pay gap		64%	14%	81%	15%
PAI Corpo 13 - Gender diversity in governance bodies		89%	37%	98%	38%
PAI Corpo 14 - Exposure to controversial weapons		90%	0%	98%	0%
PAI Corpo OPT_1 - Water use	m ³ /EUR mln sales	5%	0	4%	7
PAI Corpo OPT_2 - Water recycling		5%	0%	3%	0%
PAI Corpo OPT_3 - Number of days lost due to injury, accident, death or illness		30%	27	16%	130

Source : MSCI

Administrative information

Name: DNCA INVEST Beyond Alterosa
ISIN code (Share A): LU1907594748
SFDR classification: Art.9
Inception date: 17/12/2018
Investment horizon: Minimum 3 years
Currency: Euro
Country of domicile: Luxembourg
Legal form: SICAV
Reference Index: 30% MSCI All Countries World NR + 70% Bloomberg Barclays Pan European Corporate Euro Hedged Index
Valuation frequency: Daily
Management company: DNCA Finance

Portfolio Managers:
Léa DUNAND-CHATELLET
David TISSANDIER
Nolwenn LE ROUX, CFA
Romain AVICE
Matthieu BELONDRADÉ, CFA
Romain GRANDIS, CFA

Minimum investment: None
Subscription fees: 1% max
Redemption fees: -
Management fees: 1.40%
Ongoing charges as of 30/12/2022: 1.55%
Performance fees: 20% of the positive performance net of any fees above the index: 30% MSCI All Countries World NR + 70% Bloomberg Barclays Pan European Corporate Euro Hedged Index

Custodian: BNP Paribas - Luxembourg Branch
Settlement: T+2
Cut off: 12:00 Luxembourg time

Legal information

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Past performance is not a reliable indicator of future performance.

The award of this label to a compartment does not mean that it meets your own sustainability objectives or that the label corresponds to the requirements of future national or European regulations. For more information on this subject, please visit : www.lelabelisr.fr and www.lelabelisr.fr/comment-investir/fonds-labellises

Sub-fund of DNCA INVEST Investment company with variable capital (SICAV) under Luxembourg law in the form of a Société Anonyme - domiciled at 60 Av. J.F. Kennedy - L-1855 Luxembourg. It is authorised by the Commission de Surveillance du Secteur Financier (CSSF) and subject to the provisions of Chapter 15 of the Law of 17 December 2010.

DNCA Finance is a limited partnership (Société en Commandite Simple) approved by the Autorité des Marchés Financiers (AMF) as a portfolio management company under number GP00-030 and governed by the AMF's General Regulations, its doctrine and the Monetary and Financial Code. DNCA Finance is also a Non-Independent Investment Advisor within the meaning of the MIFID II Directive. DNCA Finance - 19 Place Vendôme-75001 Paris - e-mail: dnca@dnca-investments.com - tel: +33 (0)1 58 62 55 00 - website: www.dnca-investments.com

Any complaint may be addressed, free of charge, either to your usual contact (within DNCA Finance or within a delegate of DNCA Finance), or directly to the Head of Compliance and Internal Control (RCCI) of DNCA Finance by writing to the company's head office (19 Place Vendôme, 75001 Paris, France). In the event of persistent disagreement, you may have access to mediation. The list of out-of-court dispute resolution bodies and their contact details according to your country and/or that of the service provider concerned can be freely consulted by following the link https://finance.ec.europa.eu/consumer-finance-and-payments/retail-financial-services/financial-dispute-resolution-network-fin-net/members-fin-net-country_fr.

A summary of investors' rights is available in English at the following link: <https://www.dnca-investments.com/en/regulatory-information>

The Sub-Fund has as its objective sustainable investment within the meaning of Article 9 of SFDR. The Sub-Fund is managed taking into consideration responsible and sustainable principles and aims to be target issuers with a significantly exposure of percentage or their revenues to the 17 Sustainable Development Goals of the United Nations.

This product is subject to sustainability risks as defined in the Regulation 2019/2088 (article 2(22)) by environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

If the portfolio investment process can incorporate ESG approach, the portfolio's investment objective is not primarily to mitigate this risk. The sustainability risk management policy is available on the website of the Management Company.

The reference benchmark as defined in the Regulation 2019/2088 (article 2(22)) does not intend to be consistent with the environmental or social characteristics promoted by the fund.

Glossary

Beta. Measures the average extent to which a fund moves relative to the broader market. The beta of a market is 1. A fund with a beta of more than 1 moves on average to a greater extent than the market. A fund with a beta of less than 1 moves on average to a lesser extent. If beta is a minus number, it is likely that the stock and the market move in opposite directions.

Convertible Bond. Hybrid securities that have both bond and equity characteristics. Convertible bonds make periodic interest payments like a bond, but bondholders also get an option to exchange their bonds for a specified number of shares of common stock. Convertible bonds typically carry lower coupon rates, thus reducing the corporation's cost of borrowing.

Correlation coefficient. The correlation coefficient is a measure of correlation. It is used to determine the relationship between two assets over a given period. A positive coefficient means that the two assets move in the same direction. Conversely, a negative coefficient means that the assets move in the opposite direction. The correlation or decorrelation can be more or less strong and varies between -1 and 1.

Delta. The delta of a position expresses the change in the price of an option when its underlying asset price varies. It corresponds to the derivative of the theoretical value of the option relating to the price of the underlying asset.

Maturity. The time when a bond or other debt instrument is due to for redemption (is due to mature); or the length of time between the issue of such an instrument and the date it is due for redemption (the maturity date).

Sensitivity. The sensitivity of a bond measures the change in its percentage value induced by a given change in interest rates.

Sharpe Ratio. A way of measuring the historical risk-adjusted return on an investment. It is the average previous return minus the risk-free return, divided by the standard deviation (a measure of risk that looks at the diversion of actual returns from expected returns).

Sharpe Ratio. The Sharpe ratio measures the excess return over the risk-free money rate of an asset portfolio divided by the standard deviation of that return. It is therefore a measure of the marginal return per unit of risk. It is used to measure the performance of managers with different risk policies.

Tracking error. Tracking Error is a measure of how closely an investment portfolio follows the index against which it is benchmarked. It is the difference in the return earned by a portfolio and the return earned by the benchmark against which the portfolio is constructed. For example, if a bond portfolio earns a return of 5.15% during a period when the portfolio's benchmark (say, for example, the Lehman Brothers Index) produces a return of 5.06%, the tracking error is .09%, or 9 basis points.

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