DNCA SRI EURO QUALITY

ACTIONS ZONE EURO

Investment objective

The FCP, an SRI fund, aims to outperform the Eurozone equity markets over its recommended minimum investment period of five (5) years. Management is discretionary and companies are selected for the quality of their economic fundamentals and for the quality of their corporate responsibility through the systematic integration of environmental, social/societal and governance (ESG) criteria into the analysis, in line with an SRI approach.
To achieve its investment objective, the investment strategy is based on active discretionary management.

Financial characteristics

NAV (€)	252.25
Net assets (€M)	2,276
Number of equities holdings	46
Average market cap. (€Bn)	113
Price to Earning Ratio 2025e	19.4x
Price to Book 2024	3.5x
EV/EBITDA 2025e	11.8x
ND/EBITDA 2024	1.4x
Free Cash Flow yield 2025e	4.43%
Dividend yield 2024e	2.37%

Performance (from 27/02/2015 to 28/02/2025)

Past performance is not a guarantee of future performance

DNCA SRI EURO QUALITY (RC Share) Cumulative performance   Reference Index[1]

[1]MSCI EMU EUR NR

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

Annualised performances and volatilities (%)

	1 year	2 years	5 years	10 years	Since inception
RC Share	+7.53	+9.34	+8.08	+5.16	+4.46
Reference Index	+15.10	+13.78	+11.02	+6.46	+6.36
RC Share - volatility	11.73	11.84	17.59	16.52	19.24
Reference Index - volatility	12.10	12.38	19.34	17.86	19.53

Cumulative performances (%)

	1 month	YTD	1 year	2 years	5 years	10 years
RC Share	+2.47	+10.09	+7.53	+19.59	+47.55	+65.45
Reference Index	+3.45	+10.97	+15.10	+29.51	+68.79	+87.21

Calendar year performances (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
RC Share	+2.59	+16.62	-15.78	+22.94	+1.92	+28.37	-14.79	+9.87	+2.76	+11.65
Reference Index	+9.49	+18.78	-12.47	+22.16	-1.02	+25.47	-12.71	+12.49	+4.37	+9.81

Risk indicator

1 2 3 **4** 5 6 7

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	10 years
Sharpe Ratio	0.35	0.33	0.39	0.28
Tracking error	3.64%	4.34%	5.30%	4.13%
Correlation coefficient	0.95	0.96	0.96	0.97
Information Ratio	-2.08	-0.87	-0.56	-0.32
Beta	0.92	0.93	0.88	0.90

Main risks: risk of capital loss, equity risk, risk associated with investing in small and mid caps, risk relating to investments in derivative products, risk taken in relation to the benchmark, interest-rate risk, credit risk, counterparty risk, sustainability risk

Main positions*

	Weight
SAP SE (4.5)	5.81%
ESSILORLUXOTTICA (4.6)	4.83%
AIR LIQUIDE SA (8.1)	4.65%
ASML HOLDING NV (7.5)	4.48%
SIEMENS HEALTHINEERS AG (5.3)	4.26%
AMADEUS IT GROUP SA (5.3)	4.06%
THALES SA (5.0)	4.01%
DEUTSCHE TELEKOM AG-REG (5.4)	3.81%
SIEMENS AG-REG (5.0)	3.39%
LVMH MOET HENNESSY LOUIS VUI (4.4)	3.27%
	42.58%

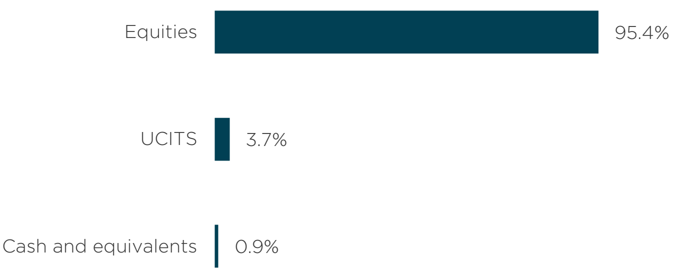
Monthly performance contributions

Past performance is not a guarantee of future performance

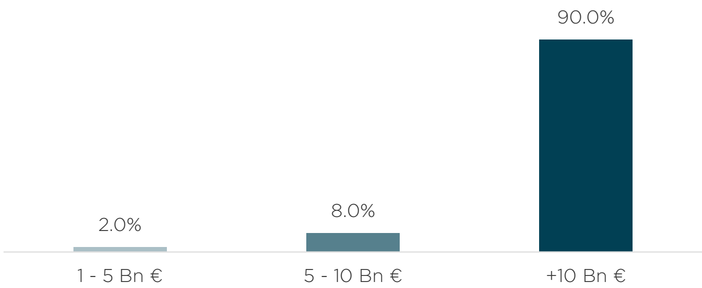
Best	Weight	Contribution
THALES SA	4.01%	+0.75%
PROSUS NV	1.93%	+0.35%
SIEMENS AG-REG	3.39%	+0.30%
ESSILORLUXOTTICA	4.83%	+0.30%
DEUTSCHE TELEKOM AG-REG	3.81%	+0.27%

Worst	Weight	Contribution
ASML HOLDING NV	4.48%	-0.29%
MERCK KGAA	1.83%	-0.14%
SCHNEIDER ELECTRIC SE	2.77%	-0.14%
INFRASTRUTTURE WIRELESS ITAL	3.18%	-0.12%
CAPGEMINI SE	0.55%	-0.10%

Asset class breakdown



Market Cap breakdown



Sector breakdown (ICB)

	Fund	Index
Technology	18.6%	14.0%
Industrial Goods and Services	18.3%	15.4%
Health Care	14.1%	7.4%
Telecommunications	7.0%	4.0%
Chemicals	5.7%	3.7%
Consumer Products and Services	5.6%	8.2%
Banks	4.7%	12.9%
Insurance	3.9%	6.9%
Automobiles and Parts	3.8%	4.0%
Construction and Materials	3.1%	3.1%
Energy	2.8%	4.2%
Financial Services	2.7%	1.7%
Media	1.7%	1.5%
Travel and Leisure	1.2%	0.4%
Utilities	0.8%	5.1%
Retail	0.7%	1.1%
Personal Care, Drug and Grocery	0.7%	1.1%
UCITS	3.7%	N/A
Cash and equivalents	0.9%	N/A

Country breakdown

	Fund	Index
France	40.1%	31.0%
Germany	26.1%	28.3%
Netherlands	11.7%	15.6%
Italy	8.3%	8.2%
Spain	5.6%	9.0%
Belgium	1.9%	2.8%
Finland	1.3%	2.3%
Austria	0.4%	0.6%
UCITS	3.7%	N/A
Cash and equivalents	0.9%	N/A

Changes to portfolio holdings*

In: BAWAG GROUP AG (4) and INTESA SANPAOLO (6.9)

Out: ASM INTERNATIONAL NV (6.4), HEINEKEN NV (3.8) and WOLTERS KLUWER (5.5)

*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

"This is just the beginning". A phrase that could have been attributed to the heads of defense groups who, at the end of February, saw the prospect of an increase in European budgets from 2% of GDP to 3%. This means that the industry needs to get up to speed if it is to sustain growth in its defense business of over 10% a year for the next 10 years. The fund is a long-standing shareholder in Thalès (top 10 of the fund), Airbus and has taken a position in Safran in 2024 (these 3 companies represent almost 7% of the portfolio at the end of February).

This sentence could also have been uttered by Francesco Milleri, CEO of EssilorLuxottica, which has sold 2 million pairs of Ray-Ban Meta smart glasses since their launch in October 2023 and announced, when publishing its annual results, an increase in production capacity to 10 million pairs by the end of 2026. In 2025, the world leader in optics will launch Oakley Meta and Nuance Audio, a pair of glasses offering an invisible hearing solution for mild to moderate impairments.

This statement was actually made by Air Liquide CEO François Jackow. He has just announced solid annual results, particularly in terms of profitability, with a margin improvement of over 100 basis points for the year. The world's co-leader in industrial gases has also raised its margin target, promising an improvement of 200 basis points over the next two years. The Group is engaged in an internal optimization drive to close the profitability gap with its competitor Linde. We appreciate its strategy of profitable growth, while remaining true to its commitment to decarbonizing its industrial processes and those of its customers (petrochemicals, steel mills, cement plants, etc.). Order intake is rising year on year, and the arrival of Trump should have no impact on current projects in the Gulf of Mexico.

In February, the MSCI EMU posted an increase of 3.45%mark, outperforming the US market for the 2nd month running. In terms of sectors, financials (led by banks), telecoms, materials (construction and chemicals) and consumer goods (note the rebound) underpinned the index's performance, while technology, healthcare, real estate and consumer cyclicals (automotive and luxury goods) weighed on stock market momentum. Over the month, the fund posted a return of 2.47%.

The results season is proving to be a good one. We noted remarkable organic growth: Adyen (+23%, pointing to acceleration in 2025), Beiersdorf (+6.5%, +7.5% in cosmetics, well ahead of L'Oréal's performance), Schneider Electric (+8.4%, driven by datacenters and electrification, despite weakness in industrial automation). This season also saw an increase in shareholder returns for portfolio companies: Munich Ré and Deutsche Telekom (2 billion euros each), Sanofi (5 billion euros following the sale of Opella) and Amadeus (1.3 billion euros) announced share buybacks in line with or ahead of expectations, while GTT announced an 80% increase in its dividend. Finally, some companies stood out for their profitability and outlook. Thus, apart from Air Liquide, Michelin surprised on the positive side with its cash flow generation, despite an industrial downturn, while GTT delivered a 6-point improvement in operating margin and profit growth prospects that exceeded expectations.

On the development and innovation front, Amadeus has announced that Air France and KLM will be adopting its new Nevio order management platform. We are very excited about the potential of this new modular software platform, which will enable airlines to modernize their antiquated IT and generate additional revenues. Finnair reported that Nevio generated 3 percentage points of growth and 30% of additional profit, which is a no-brainer even for these extremely risk-averse companies. Siemens Healthineers, meanwhile, announced an order for 15 photon-counting scanners. This new technology, which Siemens Healthineers alone has mastered, will become the market standard thanks to the productivity gains it brings to hospitals.

Among the year's main contributors, Thalès (+14%) benefited from the prospect of rising defense budgets among NATO members. While a possible ceasefire in the Russian-Ukrainian conflict could generate volatility for the stock, growth prospects remain excellent. Prosus (+13%) benefited from the rise in Tencent's share price, in which it holds a 24% stake. The advent of DeepSeek highlighted the undervaluation of Chinese technology stocks such as Tencent and Alibaba. Finally, Siemens (+13%) benefited from a good quarterly publication, illustrating in particular a recovery in orders in the Digital Industries segment.

Among the main detractors from performance, ASML (-4%) suffered from a lack of visibility (problems at two major customers, Samsung and Intel) and restrictions on exports to China under pressure from the Americans. Merck (-2%) was affected by a negative news flow around healthcare budget cuts in the US, and Schneider Electric (0%) was impacted by the market's fear that datacenter activity was close to peaking.

Among the main moves, we are fairly satisfied with our exit from Wolters Kluwer before the results. The share price had exceeded our intrinsic value, and we had identified the stock as vulnerable to the DOGE simplification/deregulation movement led by Elon Musk. The stock has lost almost 15% since the day of its disappointing publication. In the same spirit, we preferred to exit our position in ASMi before the results, as the valuation reflects a level of multiples which could be challenged by the same issues as for ASML. On the other hand, the exit of our position in Heineken adds to our library of mistakes. We capitulated when the valuation was on the rocks. All it took was a solid annual report for the stock to rebound strongly.

These disposals enabled us to strengthen our sector diversification and optimize interest-rate risk management by taking positions in Intesa Sanpolo and BAWAG, two high-quality banks (high profitability and solvency coupled with excellent management).

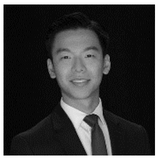
We remain true to our investment philosophy: we look for companies with excellent business models, management and balance sheets. Quality gives us visibility on future earnings trajectories. Volatile share prices offer us opportunities when prices deviate from this trajectory. Quality is our safeguard, the value of future profits our compass.

Text completed on 10/03/2025.

Ronan
Poupon

Carl
Auffret, CFA

Alexandre
Steenman



Kevin
Tran

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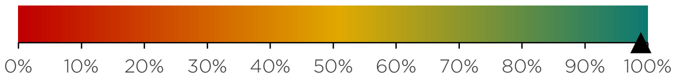
Internal extra-financial analysis

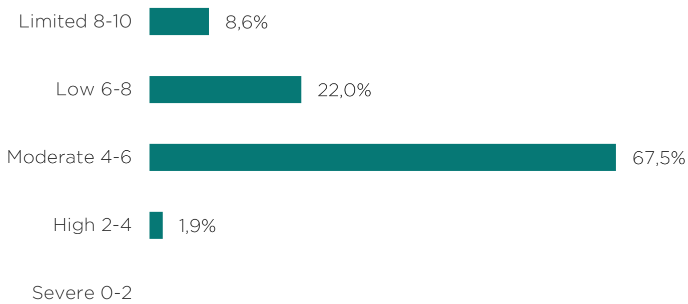
ABA coverage rate+(98.9%)



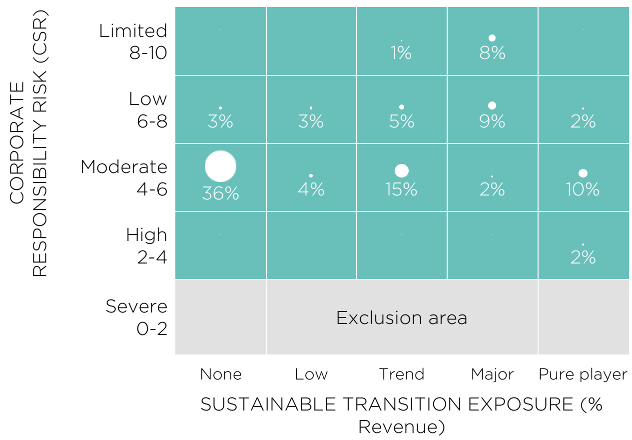
Average Responsibility Score: 5.7/10

Selectivity universe exclusion rate

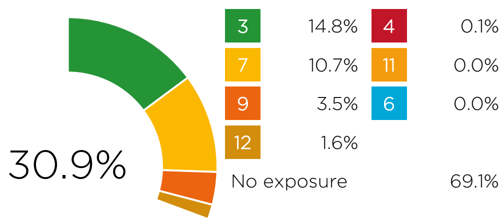
Responsibility risk breakdown(1)



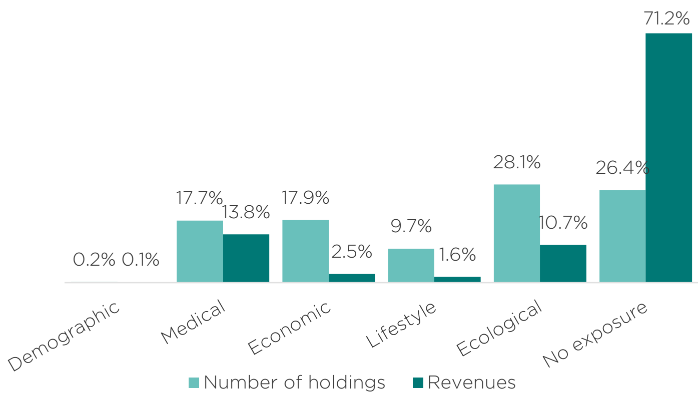
Transition/CSR exposure(2)



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 It allows 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 Coverage	Fund Value	Ref. Index Coverage	Ref. Index Value
PAI Corpo 1_1 - Tier 1 GHG emissions	T CO_2	100%	32,154		
	31/12/2024	100%	30,492		
	29/12/2023	97%	56,994	100%	46,973
PAI Corpo 1_2 - Tier 2 GHG emissions	T CO_2	100%	32,564		
	31/12/2024	100%	29,873		
	29/12/2023	97%	38,237	100%	10,107
PAI Corpo 1_3 - Tier 3 GHG emissions	T CO_2	100%	527,512		
	31/12/2024	100%	472,852		
	29/12/2023	97%	647,367	100%	375,398
PAI Corpo 1T - Total GHG emissions	T CO_2	100%	592,230		
	31/12/2024	100%	533,218		
	29/12/2023	97%	735,797	100%	421,863
PAI Corpo 1T_SC12 - Total GHG emissions (Scope 1+2)	T CO_2	100%	64,718		
	31/12/2024	100%	60,366		
PAI Corpo 2 - Carbon footprint	T CO_2/EUR M invested	100%	266	100%	585
	31/12/2024	100%	258	100%	591
	29/12/2023	97%	325	100%	615
PAI Corpo 3 - GHG intensity	T CO_2/EUR M sales	100%	778	100%	970
	31/12/2024	100%	783	100%	979
	29/12/2023	97%	766	100%	933
PAI Corpo 4 - Share of investments in companies active in the fossil fuel sector		100%	0%	100%	0%
	31/12/2024	100%	0%	100%	0%
	29/12/2023	8%	0%	11%	0%
PAI Corpo 5_1 - Share of non-renewable energy consumption		0%	0.0%	0%	0.0%
	31/12/2024	100%	56.0%	100%	59.6%
PAI Corpo 5_2 - Share of non-renewable energy production		0%	0.0%	0%	0.0%
	31/12/2024	4%	54.5%	8%	61.9%
PAI Corpo 6 - Energy consumption intensity by sector with high climate impact	GWh/EUR M sales	100%	0.5	100%	0.5
	31/12/2024	100%	0.5	100%	0.5
PAI Corpo 7 - Activities with a negative impact on biodiversity-sensitive areas		100%	0.1%	100%	0.1%
	31/12/2024	100%	0.1%	100%	0.1%
	29/12/2023	3%	0.0%	1%	0.0%
PAI Corpo 8 - Water discharges	T Water Emissions	2%	0	3%	0
	31/12/2024	2%	0	3%	0
	29/12/2023	4%	64	2%	13,399
PAI Corpo 9 - Hazardous or radioactive waste ratio	T Hazardous Waste/EUR M invested	100%	0.4	99%	0.6
	31/12/2024	100%	0.3	99%	0.6
	29/12/2023	67%	0.5	62%	0.7
PAI Corpo 10 - Violations of UNGC and OECD principles		100%	0.0%	100%	0.0%
	31/12/2024	100%	0.0%	100%	0.0%
	29/12/2023	97%	0.0%	100%	0.0%
PAI Corpo 11 - Lack of UNGC and OECD compliance processes and mechanisms		100%	0.0%	100%	0.0%
	31/12/2024	100%	0.0%	100%	0.0%
	29/12/2023	97%	0.2%	99%	0.1%
PAI Corpo 12 - Unadjusted gender pay gap		63%	7.4%	67%	10.0%
	31/12/2024	65%	7.5%	71%	10.4%
	29/12/2023	43%	13.4%	33%	12.0%
PAI Corpo 13 - Gender diversity in governance bodies		100%	44.3%	100%	42.3%
	31/12/2024	100%	44.3%	100%	42.4%
	29/12/2023	97%	42.9%	100%	41.8%
PAI Corpo 14 - Exposure to controversial weapons		100%	0.0%	100%	0.0%
	31/12/2024	100%	0.0%	100%	0.0%
	29/12/2023	97%	0.0%	100%	0.0%
PAI Corpo OPT_1 - Water use	m^3/EUR M sales	0%	0	0%	0
	31/12/2024	72%	302	75%	520
	29/12/2023	11%	1	8%	0
PAI Corpo OPT_2 - Water recycling		9%	0.3%	7%	0.1%
	31/12/2024	11%	0.2%	8%	0.1%
	29/12/2023	9%	0.0%	7%	0.0%
PAI Corpo OPT_3 - Investments in companies with no policy for preventing accidents at work		100%	0.0%	100%	0.0%
	31/12/2024	100%	0.0%	100%	0.0%
	29/12/2023	35%	1.0%	28%	0.3%

Source : MSCI

It should be noted that DNCA Finance changed its non-financial data provider in October 2023 from monitoring negative externalities by the Scope Rating provider to monitoring performance indicators (PAI) by the MSCI provider.
This change of supplier and indicator typology prevents DNCA Finance from producing a 3-year ESG performance comparison. DNCA Finance Committed to produce this historical data from the data available in December 2023.

DNCA SRI EURO QUALITY

ACTIONS ZONE EURO

Administrative information

Name: DNCA Sri Euro Quality
ISIN code (Share RC): FR0010021733
SFDR classification: Art.8
Inception date: 22/12/2003
Investment horizon: Minimum 5 years
Currency: Euro
Country of domicile: France
Legal form: FCP
Reference Index: MSCI EMU EUR NR
Valuation frequency: Daily
Management company: DNCA Finance

Portfolio Managers:
Ronan POUPON
Carl AUFFRET, CFA
Alexandre STEENMAN
Kevin TRAN

Minimum investment: None
Subscription fees: - max
Redemption fees: -
Management fees: 1.39%
Ongoing charges as of 31/12/2023: 1.44%
Performance fees: 20% of the positive performance net of any fees above the index: MSCI EMU EUR NR

Custodian: CACEIS Bank
Settlement: T+2
Cut off: 12:30 Paris time

Legal information

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Past performance is not a reliable indicator of future performance.

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DNCA SRI EURO QUALITY, a French mutual fund domiciled at 19 place Vendôme 75001 Paris, complies with Directive 2009/65/EC.

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

This product promotes environmental or social characteristics, but does not have as its objective a sustainable investment. It might invest partially in assets that have a sustainable objective, for instance qualified as sustainable according to the EU classification.

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.
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.
Dividend yield. Annual dividends per share / Price per share
EV (Enterprise Value). Market value of common stock + market value of preferred equity + market value of debt + minority interest - cash and investments.
ND/EBITDA (Net Debt / EBITDA). A measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. The net debt to EBITDA ratio is a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.
P/B. The Price to Book Ratio is the ratio of the market value of equity (market capitalisation) to its book value. It is used to compare the market valuation of a company with its book value.
P/CF (Share price/Cash Flow per Share). The price-to-cash-flow ratio is an indicator of a stock's valuation.
PER (Price Earnings Ratio). A company's share price divided by the amount of profits it makes for each share in a 12-month period. PE ratios are normally calculated on the base of all the profit made in the period, whether or not the profit is paid out to shareholders in that period.
ROE (Return On Equity). The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.
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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