

## BDL TRANSITIONS – GP SHARE

28/03/2024

Monthly report

## Investment approach

BDL Transitions is a Long Only ESG fund that invests in five themes:

- Energy Transition
- Digital Transition
- Mobility and Infrastructure Transition
- Health Transition
- New economy Transition

## Risk and Return profile

## RISK LEVEL - SRI



The SRI assumes that you keep the Product for the entire recommended holding period of 3 to 5 years minimum

The investor's attention is drawn to the risk factors of the fund, in particular equity risk, credit risk, liquidity risk, counterparty risk, and risks related to derivatives and counterparties

	1 year	3 years
Outperformance vs Index	3.4%	-4.5%
Fund volatility	11.7%	14.4%
Index volatility	10.1%	14.4%
Sharpe ratio	1.58	0.52
Sortino ratio	2.44	0.76
Calmar ratio	1.72	0.29
Tracking Error	7.2%	6.6%
Information Ratio	2.55	1.14
Fund Max. drawdown	-10.7%	-25.8%
Recovery (in working days)	47	501

## Investment Universe

BDL Transitions aims to capture exposure to five major themes of fundamental change across the Economy. The ESG angle is systematically integrated into the fundamental analysis. The fund invests in companies in the European Economic Area and Switzerland with a market capitalization or turnover of more than €1 billion and up to 30% of its assets in shares listed on the financial markets of OECD member states or in companies with a turnover or capitalization of less than €1 billion.



## Monthly Comment

The European market closed March with a +4.1% rise for the STOXX 600, its 5th month of positive performance in a row. This performance was mainly driven by the retail, banking, oil, and commodities sectors. Although absent from these sectors,

## Hybrid Bonding

Dense vertical interconnects



this investment, and Samsung's latest statements seem to lend further support to the theory of rapid use of HB in its memory products as early as 2026.

<https://www.thelec.net/news/articleView.html?idxno=4788>

<https://semiconductor.samsung.com/news-events/tech-blog/samsung-foundry-showcases-advanced-technology-and-solutions/>

Past performance is not a reliable indicator of future performance.  
They are not constant over time and are not guaranteed.



The BDL Transitions fund adopts a Long Only strategy since 01/10/2020. The Stoxx 600 dividends reinvested became its benchmark on 01/10/2020 and its performance is presented by the chaining method.

## Calendar Performances

	2020	2021	2022	2023
Fund	-2.4%	+22.6%	-16.7%	19.1%
Index	+2.0%	+25.0%	-10.7%	15.8%

## Annualized Performances

	1 year	2 years	Since 01/10/2020
Fund	18.5%	8.8%	11.2%
Index	15.1%	8.9%	13.1%

## Cumulated Performances

	YTD	1 Month	3 Months	6 Months	9 Months	1 year	2 years	Since 01/10/2020
Fund	9.5%	4.4%	9.5%	19.7%	16.2%	18.5%	18.4%	44.7%
Index	7.7%	4.1%	7.7%	14.9%	12.5%	15.1%	18.6%	53.7%

## Fund Characteristics

Fund manager : Jean Duchein

Legal structure : SICAV de droit luxembourgeois

Reference Index : STOXX 600 (dividendes réinvestis)

Currency : EUR

Eligibility PEA: Non

Dividend Policy : Accumulation

Registration : FR, LUX

ISIN Code : LU1988108434

Bloomberg Code : BDLTRGP LX

## Administrative Information

Custodian : CACEIS Bank Luxembourg

Valuator : CACEIS Fund Administration

Valuation Frequency : Daily

Subscription/Redemption Deadline : Before 14:00 CET

Subscription Fees : 2% max

Redemption Fees : None

Management Fees : 1.00%

Performance Fees : 20% incl. tax above the capitalized SXXR, only if the fund's performance is positive and with High Water Mark

## Contacts

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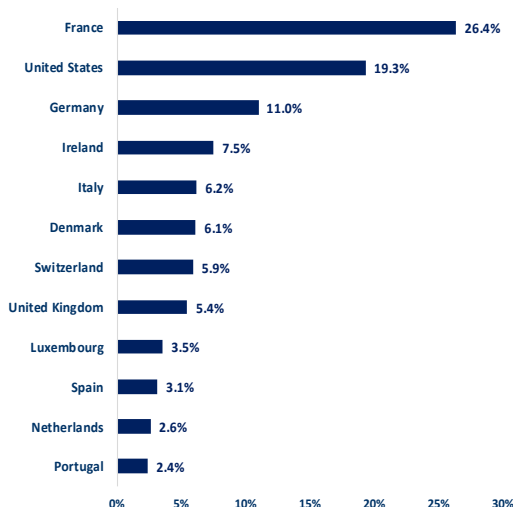
Olivier Mariscal

Sales Manager - CGPI

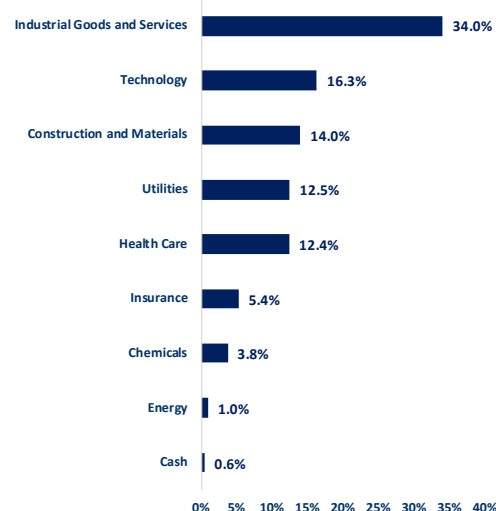
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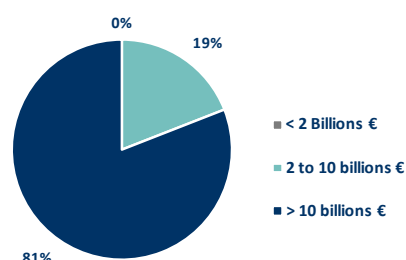
## Geographic breakdown



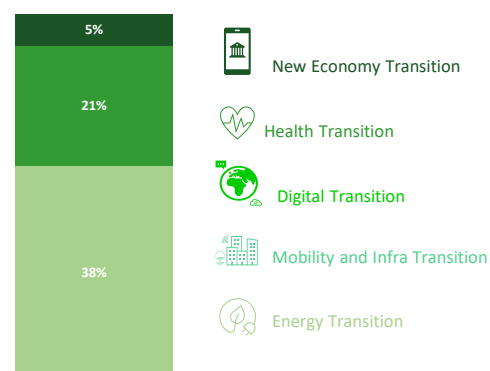
## Sector breakdown



## Market Capitalization breakdown for the invested net asset



## Breakdown of the 5 Transitions in the portfolio



Main lines	Transition	Country	Weight	QJRA
VEOLIA ENVIRONNE	Energy Transition	France	4.7%	14.5
SAINT GOBAIN	Mobility and Infrastructure Transition	France	4.0%	16.0
SPIE SA	Energy Transition	France	4.0%	15.2
ALPHABET INC-A	Digital Transition	United States	4.0%	12.5
NOVO NORDISK-B	Health Transition	Denmark	3.8%	15.7

	End of the Month	Average 1 yr
Total number of Long positions	32	32
Top 5 Long positions	21%	17%
Top 10 Long positions	39%	35%
Net exposure	99%	92%

Top 3 Contributors		Top 3 Detractors	
Stocks	Contributions	Stocks	Détractors
SOL SPA	0.5%	BE SEMICONDUCTOR	-0.3%
SPIE SA	0.5%	SONOVA HOLDING A	-0.1%
SK HYN	0.4%	ADV MICRO DEVICE	-0.1%

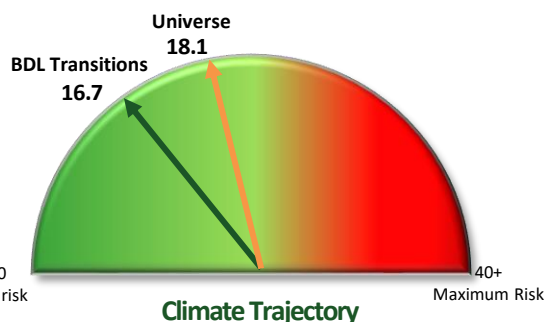
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## ESG INDICATORS OF THE PORTFOLIO

### Sustainalytics Score

Tool for measuring companies' ESG risk exposure.  
BDL Transitions is in the "Low Risk" category



68% of the companies in the fund submitted a scenario respecting the Paris Agreement's 2°C alignment trajectory vs. 60% for the STOXX600



STOXX600 2.2°C

2.6°C BDL Transitions 2021  
2.3°C BDL Transitions 2022  
2.0°C Paris agreement

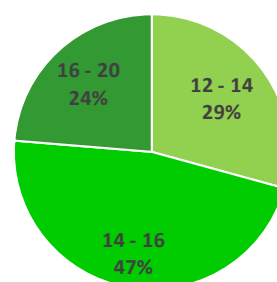
### SDG Exposure

Key UN Sustainable Development Goals covered by the companies in the fund -  
Exposure to the primary and secondary SDGs in the portfolio



### ESG Score (QIRA)

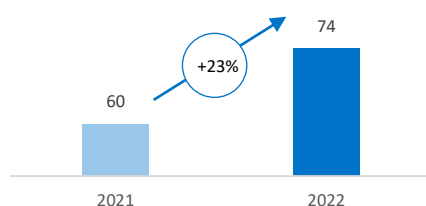
Proprietary rating out of 20 analyzing the three ESG pillars. The minimum threshold is 12/20 for the portfolio



## TRANSITIONS INDICATORS

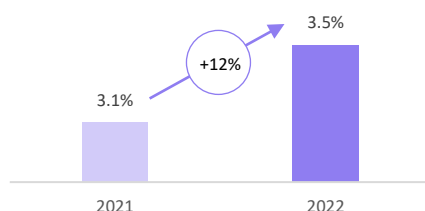
### Digital Transition – CAPEX spending

Increase in CAPEX spending  
Measurement for the **Digital Transition** portfolio



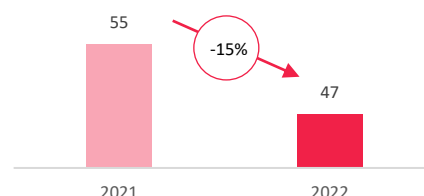
### Health Transition - R&D expenditures

Increase in R&D expenditure (% of sales)  
Measurement for the **Health Transition** portfolio



### Mobility and Infrastructure Transition - Carbon Intensity

Carbon intensity reduction - Scope 1&2 (tCO2/M€CA)  
Measure for the **Mobility and Infrastructure Transition** portfolio



### QIRA Data

tfolio	QIRA Score
ESG Score	14.8
E Score	14.6
S Score	15.0
G Score	14.9

Top 3	TRANSITIONS	QIRA 2020
BEAZLEY PLC	New Economy Transition	18.0
SMURFIT KAPPA GR	Energy Transition	17.7
IBERDROLA SA	Energy Transition	16.3

The impact KPIs correspond to data from the BDLCM Funds - BDL Transitions impact report, the companies annual and sustainability reports. This report is available on our website at [tinyurl.com/mry3nhbn](https://www.bdlcm.com/notre-approche-esg/). The data in the impact report is based on the data in our ESG QIRA analysis system based on the portfolio as of June 30, 2021, which is biased in comparison to the other data in this monthly report. QIRA data may be based on periods prior to June 30, 2021 (e.g., companies' 2020 annual reports). For more information on the methodologies used to calculate ESG indicators, and on our approach as a responsible investor, please refer to our transparency code and the documents available on our website at the following address: <https://www.bdlcm.com/notre-approche-esg/>

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## QIRA METHODOLOGY

QIRA stands for Quality Investing & Responsible Analysis. This summarizes our investment philosophy: to select quality companies whose practices are focused on making their business model sustainable. The basis of QIRA is a questionnaire of 50 questions inspired by the Sustainable Development Goals (SDGs). The QIRA score is the sum of the scores of the 3 pillars E, S and G.

The QIRA score is composed of two components: Transparency and Quality. Through our regular dialogue with companies, reading sustainability reports and other documents, we complete this questionnaire to give an ESG transparency score to each company we invest in. We then provide a quality rating for ESG practices based on the knowledge of our sector analysts and our partnership with the Carbon Disclosure Project (CDP) on the environment. The sum of the Transparency and Quality scores gives us a score out of twenty, which is the QIRA score.

## CLIMATE TRAJECTORY METHODOLOGY

We have created a synthetic indicator to simply and concretely reflect the climate trajectory of the BDL Transitions portfolio.

The calculation method for this synthetic indicator is described below:

For each company in the portfolio, we assess its level of commitment to SBTi (Science Based Target initiative) for the scientific validation of its CO2 reduction targets.

- If the company is not committed to SBTi, we consider that its targets are not yet ambitious enough and assign the company a punitive climate trajectory.

- If the company is committed to the SBTi initiative but its objectives have not yet been validated, we assign it an improving climate trajectory.

Finally, when the company's goal has been validated by SBTi, we assign the climate trajectory validated by SBTi. For example, SIG Combibloc has SBTi validated targets on a 1.5 degree trajectory, so we assign it a climate trajectory of 1.5 degrees.

We then average all the individual trajectories obtained to get the synthetic climate trajectory indicator for the portfolio.

## GLOSSARY

**Alpha** : The alpha measures the performance of a portfolio compared to its benchmark. A negative alpha means that the fund has done less well than its indicator (e.g. the indicator has risen by 10% in one year and the fund has only risen by 6%: its alpha is equal to - 4). A positive alpha characterizes a fund that has done better than its indicator (e.g. the indicator has risen by 6% in one year and the fund has risen by 10%: its alpha is equal to 4).

**Bottom-up approach** : Bottom-up investment : Investment based on the analysis of companies, where the history, management and potential of the companies in question are considered more important than the general trends of the market or the sector (as opposed to top-down investment).

**Beta**: Beta measures the existing relationship between fluctuations in the fund's net asset values and fluctuations in the levels of its benchmark. A beta of less than 1 indicates that the fund is "cushioning" the fluctuations of its index (beta = 0.6 means that the fund increases by 6% if the index increases by 10% and decreases by 6% if the index decreases by 10%). A beta greater than 1 indicates that the fund "amplifies" the fluctuations of its index (beta = 1.4 means that the fund rises by 14% when the index rises by 10% but also falls by 14% when the index falls by 10%). A beta lower than 0 indicates that the fund reacts inversely to the fluctuations of its index (beta = -0.6 means that the fund falls by 6% when the index rises by 10% and vice versa).

**Sharpe ratio**: The Sharpe ratio measures the excess return over the risk-free rate divided by the standard deviation of that return. It is a measure of the marginal return per unit of risk. When it is positive, the higher it is, the more risk is rewarded. A negative Sharpe ratio does not necessarily mean that the portfolio has had a negative performance but that it has been lower than a risk-free investment.

**SICAV**: Société d'Investissement à Capital Variable (open-ended investment company)

**Investment rate/exposure rate**: The investment rate corresponds to the amount of assets invested expressed as a % of the portfolio. The exposure rate corresponds to the investment rate plus the impact of derivative strategies. It corresponds to the percentage of real assets exposed to a given risk. Derivative strategies may be designed to increase exposure (boosting strategy) or reduce exposure (immunizing strategy) to the underlying asset.

**Net asset value**: Price of a unit (in the case of a mutual fund) or a share (in the case of a SICAV).

**Cyclical stocks**: A cyclical stock is, as its name indicates, a stock that will follow a cycle. It is linked to the economic cycle. It will take off in good times of economic recovery or growth and will decline at the slightest downturn. Cyclical stocks therefore have a cyclical evolution.

## DISCLAIMER

The purpose of this commercial document is to give information in a simple way on the fund's characteristics. It is intended for French professional investors. This document has been prepared for information purposes only and does not constitute an offer to sell. This document is not and shall not be interpreted or perceived as an offer or solicitation to invest in the fund presented, nor as investment, legal, tax or other advice, nor shall it inspire any investment or decision whatsoever. The information contained in this document is not a substitute for the recipient's own judgment, which must be relied upon. In any event, the information presented is not sufficient to provide an understanding for an informed investment in this product. An investment in one of BDL Capital Management's funds should only be considered after consulting the prospectus. Past performance is not a reliable indicator of future performance. They are not constant over time and are not guaranteed. The investor's attention is drawn to the risk factors of the fund, in particular the credit risk, the liquidity risk, the counterparty risk and the impact of management techniques, particularly Forward Financial Instruments. For more information on the risks to which the fund is exposed, we invite you to consult the fund's DICI, available on request or on BDL Capital Management's website. The Sicav's DICI is available solely in English. You can find on the website of BDL Capital Management thorough information on the right on claim or a class action in French and English version <https://www.bdlcm.com/informations-reglementaires> BDL Capital Management has the right to decide to stop the commercialization of the funds according to the 93 bis article of the 2009/65/CE guideline and the 32 bis article of the 2011/61/UE guideline. BDL Capital Management | 24 rue du Rocher 75008 Paris | Tél : +33 1 56 90 50 90 | [www.bdlcm.com](http://www.bdlcm.com) | SAS au capital de 250 000 € | Paris B 481 094 480 - 6630Z | Agrément AMF n°GP-05000003 Performance fees : 20% incl. tax above the capitalised SXXR, only if the fund's performance is positive and with a High Water Mark.

For more information on the methodologies used to calculate ESG indicators, and on our approach as a responsible investor, please refer to our transparency code and the documents available in French on our website at the following address : <https://www.bdlcm.com/notre-approche-esg/>

## Information for Luxembourg investors

The Fund's articles of incorporation or association, the prospectus and the latest periodical documents (annual and semi-annual reports) of each fund may be obtained on request and free of charge from the Representative and Paying Agent for Luxembourg CACEIS Bank, Luxembourg Branch, 5 allée Scheffer, L-2520 Luxembourg. All information for Luxembourg investors concerning BDL Capital Management or the SICAV will be published on the website of BDL Capital Management, <https://www.bdlcm.com>.

