INVESTMENT OBJECTIVE

The fund’s management objective is to outperform the following composite index: 60% Eurostoxx 50 Net Return + 30% FTSE MTS EMU GOV BOND 1-3 years + 10% compounded EONIA calculated on the basis of reinvested dividends and coupons over the recommended investment period (5 years), while preserving capital during disadvantageous periods thanks to opportunistic and flexible asset allocation management.

PORTFOLIO MANAGERS COMMENTS

In the United States, China and Europe, the economic recovery has been losing steam since the summer. Several economic areas are far from the end of the epidemic and now fear a second surge, while the full economic effects of lockdown have not yet been felt i.e. debt, balance sheets, while the appearance of the first major reflation programs in the automotive and aerospace industries in particular. Uncertainty on the US election will admittedly not alter the Fed’s accommodating approach. We believe that the outcome will not help improve visibility in the short term.

In our view, the risk-return ratio on the bond markets remains adverse, so we therefore will not introduce any more credit or interest rate risk into the portfolio – particularly as inflation may have hit its low with States’ and central banks’ swollen balance sheets, making for an additional risk on this asset class.

We thus continue to focus on the equity asset class in our allocation, which has reached an all-time high at more than 80% of the portfolio.

However, we offset market risk via tactical hedging positions and particularly via defensive stock-picking, with over-representation for growth, quality, momentum, and low volatility factors, so our portfolio sensitivity to the equity markets is therefore actually very low. Beta is close to 64% on the back of the high proportion of tech and digital stocks (SAP, Prosus, Teamviewer, Hellofresh, ASML, Accenture, etc.), companies with monopolies (Deutsche Borse), pharma stocks (Orpea, Novo, Roche, AstraZeneca, BiomeRX), luxury goods (LVMH) and major leaders or new winners in consumer trends (Nestlé, Reckitt, L’Oréal, Puma, MIFS, etc.), which have attached to their resilience since the start of the year.

In an increasingly uncertain environment, we have decided to cut back our aerospace exposure and have sold Safran to move into Alstom (very full and resilient order book, synergies from the merger with Bombardier, buoyant markets on subways and standard trains as well as hydrogen-powered), which again joined the portfolio after Bouygues sold close to 5% of capital.

We also took out a position on Accenture (growth, quality), the US and world leader in strategy consulting and corporate digital transformation, taking advantage of an opportunity after its earnings report fell slightly short of expectations, although this does not jeopardize the group’s growth and profitability trends, with a leading position in its category.

Overall we maintain a positive outlook on US equities for the medium term on the back of their innovation capabilities and their ability to attract staff. These stocks account for more than 5% of our allocation via both the S&P500 and Accenture and we will take advantage of any potential weakness to ramp up this geographical diversification position. We have a similar approach on gold-related stocks, as gold’s recent relative weakness has prompted us to ramp up our exposure to sector stocks (4% of the portfolio).

Text completed on 06/10/2020.

Augustin PIQUENARD - Thomas PLANELL

RISK AND REWARD PROFILE

The risk level of this fund is due to exposure in equity and/or fixed income markets.

PERFORMANCE AND VOLATILITY

| Performance | Share C | Reference Index
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>YTD performance</td>
<td>-1.09%</td>
<td>-7.14%</td>
</tr>
<tr>
<td>2019 performance</td>
<td>11.76%</td>
<td>16.29%</td>
</tr>
<tr>
<td>Annualised performance 5 years</td>
<td>1.03%</td>
<td>2.35%</td>
</tr>
<tr>
<td>Volatility 1 year</td>
<td>15.02%</td>
<td>21.28%</td>
</tr>
<tr>
<td>Volatility 5 years</td>
<td>11.27%</td>
<td>13.94%</td>
</tr>
<tr>
<td>Volatility 5 years</td>
<td>10.66%</td>
<td>12.59%</td>
</tr>
</tbody>
</table>

74.22% 16.70%

PERFORMANCE SINCE 16/10/2000

| Performance | Reference Index
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1.66%</td>
<td>13.94%</td>
</tr>
<tr>
<td>3.12%</td>
<td>16.60%</td>
</tr>
</tbody>
</table>

MAIN HOLDINGS

<table>
<thead>
<tr>
<th>Bonds</th>
<th>Equities</th>
</tr>
</thead>
<tbody>
<tr>
<td>IUA0 SA 0.65% 2025</td>
<td>AIR LIQUIDE SA 1.55%</td>
</tr>
<tr>
<td>INTERNATIONAL CONSOLIDATED AIRLINES GROUP SA 0.63% 2022 CV</td>
<td>REKITT BENCHER GROUP PLC 1.42%</td>
</tr>
<tr>
<td>AMS AG 0% 2025 CV</td>
<td>ASML HOLDING NV 1.27%</td>
</tr>
<tr>
<td>UBIGIFT ENTERTAINMENT SA 0% 2024 CV</td>
<td>NESTLE SA REG 1.10%</td>
</tr>
<tr>
<td>INDRA SISTEMAS SA 1.25% 2023 CV</td>
<td>SAP SE 1.15%</td>
</tr>
</tbody>
</table>

BREAKDOWN BY ASSETS

<table>
<thead>
<tr>
<th>Equities</th>
<th>UCITS</th>
<th>Convertible bonds</th>
<th>Fixed rate bonds</th>
<th>Participative and perpetual</th>
<th>Floating-rate bonds</th>
<th>Cash and equivalents</th>
</tr>
</thead>
<tbody>
<tr>
<td>70.4%</td>
<td>6.5%</td>
<td>3.8%</td>
<td>3.7%</td>
<td>0.8%</td>
<td>0.6%</td>
<td>3.2%</td>
</tr>
</tbody>
</table>

MAIN CHARACTERISTICS

<table>
<thead>
<tr>
<th>NAV</th>
<th>€117.48</th>
<th>Net assets</th>
<th>€380M</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated PER 2020</td>
<td>28.1 x</td>
<td>NO/EV/BETA 2019</td>
<td>2.0 x</td>
</tr>
<tr>
<td>Estimated net yield 2019</td>
<td>1.66%</td>
<td>EV/EV/BETA 2020</td>
<td>15.0 x</td>
</tr>
</tbody>
</table>

PER (Price Earnings Ratio) is the ratio of market capitalisation to net earnings. It is a way of estimating how expensive a share is. Net debt is gross financial debt adjusted for the cash pile.

EV/BETA is the ratio between net debt and gross operating profit. It helps estimate a stock’s financial leverage.

ERV/EV/BETA is the ratio between enterprise value (market capitalisation + net debt) and gross operating profit. It helps estimate how expensive a share is.
PERFORMANCE (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>January</th>
<th>February</th>
<th>March</th>
<th>April</th>
<th>May</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
<th>November</th>
<th>December</th>
<th>Annual</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>3.96%</td>
<td>4.56%</td>
<td>0.66%</td>
<td>0.23%</td>
<td>0.62%</td>
<td>3.29%</td>
<td>2.98%</td>
<td>-4.93%</td>
<td>-3.72%</td>
<td>5.68%</td>
<td>1.42%</td>
<td>-3.00%</td>
<td>4.56%</td>
</tr>
<tr>
<td>2016</td>
<td>-4.53%</td>
<td>-1.34%</td>
<td>1.85%</td>
<td>0.34%</td>
<td>1.66%</td>
<td>-4.36%</td>
<td>2.58%</td>
<td>0.71%</td>
<td>0.21%</td>
<td>0.60%</td>
<td>0.32%</td>
<td>-4.20%</td>
<td>1.90%</td>
</tr>
<tr>
<td>2017</td>
<td>-0.96%</td>
<td>1.95%</td>
<td>2.45%</td>
<td>1.14%</td>
<td>1.20%</td>
<td>-2.55%</td>
<td>-0.32%</td>
<td>-1.13%</td>
<td>2.95%</td>
<td>0.22%</td>
<td>-1.68%</td>
<td>-0.25%</td>
<td>2.89%</td>
</tr>
<tr>
<td>2018</td>
<td>1.41%</td>
<td>-2.45%</td>
<td>-1.39%</td>
<td>3.59%</td>
<td>-1.23%</td>
<td>-1.30%</td>
<td>1.45%</td>
<td>-2.33%</td>
<td>0.63%</td>
<td>-4.35%</td>
<td>-1.54%</td>
<td>-4.78%</td>
<td>-12.64%</td>
</tr>
<tr>
<td>2019</td>
<td>2.60%</td>
<td>3.26%</td>
<td>0.22%</td>
<td>2.55%</td>
<td>-3.33%</td>
<td>3.25%</td>
<td>-0.90%</td>
<td>0.24%</td>
<td>0.63%</td>
<td>-0.20%</td>
<td>2.01%</td>
<td>1.02%</td>
<td>3.76%</td>
</tr>
<tr>
<td>2020</td>
<td>-0.88%</td>
<td>-2.12%</td>
<td>-7.73%</td>
<td>3.61%</td>
<td>3.61%</td>
<td>3.76%</td>
<td>-0.00%</td>
<td>0.24%</td>
<td>-1.04%</td>
<td>-</td>
<td></td>
<td>-1.09%</td>
<td></td>
</tr>
</tbody>
</table>

Past performance is not a guarantee of future performance.

CHANGES TO PORTFOLIO HOLDINGS

IN
- ACENTURE PLC-CL A
- AILSTOM
- IMCD NV

OUT
- AIR FRANCE KLM PERP
- AIRBUS SE 0% 2021 CV
- DELIVERY HERO SE 1% 2027 CV
- SAFRAN SA
- THYSSENKRUPP AG 1.75% 2020

BREAKDOWN BY SECTOR

- Technology: 13.9%
- Health Care: 10.0%
- Personal and Household Goods: 14.3%
- Industrial Goods and Services: 11.9%
- Utilities: 8.1%
- Chemicals: 5.9%
- Construction and Materials: 4.5%
- Food and Beverage: 3.2%
- Financial Services: 2.2%
- Media: 1.4%
- Travel and Leisure: 1.0%
- Automobiles and Parts: 0.7%
- Retail: 0.6%
- Telecommunications: 0.2%
- Banks: 0.2%
- Basic Resources: 0.2%
- Insurance: 0.2%
- UCITS: 6.5%
- Cash and equivalents: 3.2%

BOND'S PORTFOLIO RATING

- A: 69.9%
- BBB: 10.2%
- BB: 10.1%
- CCC: 4.1%
- NR: 4.4%
- USD: 0.5%
- EUR: 11.5%
- GBP: 9.3%
- CHF: 7.6%
- SEK: 9.3%
- DKK: 4.3%
- FR: 3.1%
- IT: 1.3%
- NL: 1.1%
- US: 0.4%
- BE: 0.3%
- LU: 6.5%
- UK: 3.2%

CURRENCY BREAKDOWN

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