DNCA INVEST
SRI HIGH YIELD
INTERNATIONAL HIGH YIELD BONDS

Investment objective

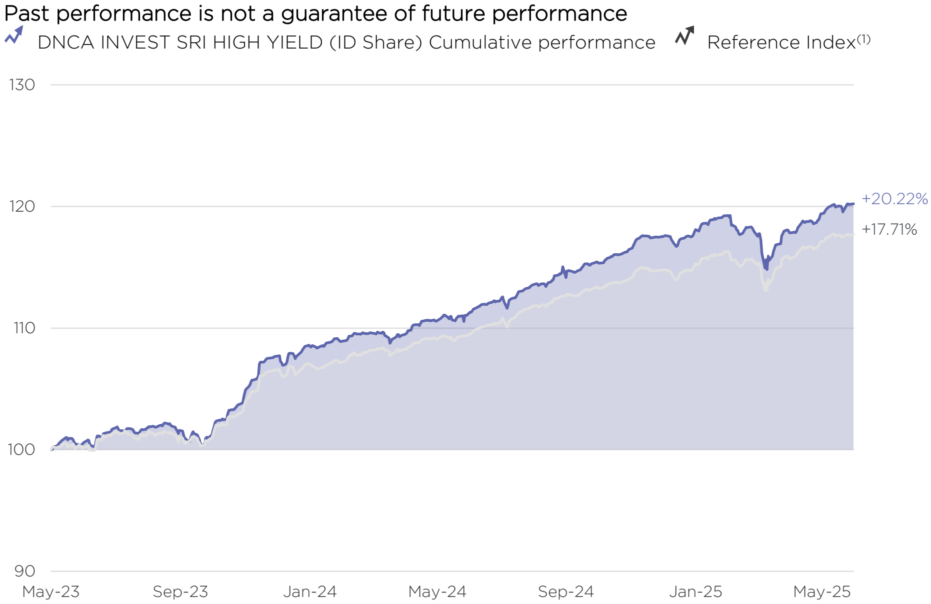
Through a discretionary strategy, the Sub-Fund seeks to benefit, throughout the recommended investment period of more than three years, from the performance of the Euro-denominated high-yield bonds market, from issuers of the private sector. Investors' attention is drawn to the fact that the management style is discretionary and integrates environmental, social / societal and governance (ESG) criteria. The portfolio composition will not attempt to replicate the composition of a benchmark index from a geographical or sectorial perspective. Even so, the Bloomberg Euro High Yield BB Rating may be used as ex-post benchmark indicator.
To achieve its investment objective, the investment strategy is based on active discretionary management.

Financial characteristics

NAV (€)	112.92
Net assets (€M)	122
Number of issuers	112
Average modified duration	3.27
Net modified duration	3.20
Average maturity (years)	5.56
Average yield	5.43%
Average rating	BB-

Performance (from 30/05/2023 to 30/06/2025)

Past performance is not a guarantee of future performance



(1)Bloomberg Euro High Yield BB Rating

Performances since the fund's inception have been achieved on the basis of a management strategy that has been modified as of 25 January 2021. The fund's benchmark was changed on 25 January 2021.

Annualised performances and volatilities (%)

	1 year	2 years	Since inception
ID Share	+8.26	+9.32	+9.22
Reference Index	+7.62	+8.38	+8.13
ID Share - volatility	3.02	2.78	2.74
Reference Index - volatility	2.36	2.33	2.34

Cumulative performances (%)

	1 month	3 months	YTD	1 year	2 years
ID Share	+0.70	+2.26	+2.29	+8.26	+19.53
Reference Index	+0.52	+2.18	+2.55	+7.62	+17.49

Calendar year performances (%)

	2024
ID Share	+9.15
Reference Index	+7.73

The performances are calculated net of any fees.

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	Since inception
Sharpe Ratio	1.75	2.14
Tracking error	1.35%	1.41%
Correlation coefficient	0.90	0.86
Information Ratio	0.47	0.78
Beta	1.15	1.00

Main risks: risk of capital loss, interest-rate risk, risk relating to discretionary management, credit risk, inflation rate depreciation risk, counterparty risk, risk of investing in speculative grade bonds, risk related to investing in speculative securities, risk of investing in derivative instruments as well as instruments embedding derivatives, convertible securities risk, specific Risks linked to Convertible, Exchangeable and Mandatory Convertible Bonds, risk related to exchange rate, liquidity risk, high volatility risk, equity risk, specific risks of investing in contingent convertible bonds (Cocos), ESG risk, sustainability risk, bond risk 144A

Main positions+

	Weight
Alstom SA PERP (4.7)	3.15%
Zegona Finance PLC 6.75% 2029 (4.6)	3.12%
Telefonica Europe BV PERP (4.6)	2.56%
IHO Verwaltungs GmbH 7% 2031 (5.8)	2.17%
Abertis Infraestructuras Finance BV PERP (5.7)	2.12%
Lottomatica Group Spa 4.88% 2031 (4.5)	2.10%
INEOS Finance PLC 6.38% 2029 (3.1)	2.09%
Unibail-Rodamco-Westfield SE PERP (6.0)	2.07%
Perrigo Finance Unlimited Co 5.38% 2032 (4.5)	1.69%
Fibercop SpA 5.13% 2032 (3.9)	1.55%
	22.62%

Country breakdown

	Fund	Index
France	22.6%	21.4%
Spain	13.4%	10.1%
United Kingdom	11.5%	7.8%
Italy	10.7%	15.5%
USA	9.8%	11.3%
Germany	7.2%	14.7%
Luxembourg	7.0%	2.1%
Sweden	4.1%	2.6%
Netherlands	3.3%	2.6%
Greece	3.1%	5.0%
Belgium	1.9%	1.4%
Czech Republic	0.9%	-
Austria	0.7%	0.3%
Canada	0.4%	-
Portugal	0.4%	0.5%
Slovenia	0.4%	0.3%
South Africa	0.4%	-
Denmark	0.4%	0.1%
Other Countries	-	4.5%
UCITS	1.4%	N/A
Cash and equivalents	0.5%	N/A

Changes to portfolio holdings*

In: Beach Acquisition Bidco LLC 5.25% 2032, Benteler International AG 7.25% 2031, Clarios Global LP / Clarios US Finance Co 4.75% 2031 (5), CMA CGM SA 5% 2031 (5.5), Deutsche EuroShop AG 4.5% 2030, Fibercop SpA 5.13% 2032 (3.9), Luna 2 5SARL 5.5% 2032, Q-Park Holding I BV 4.25% 2030 (3.9) and ZF Europe Finance BV 7% 2030 (4.9)

Out: AccorInvest Group SA 5.38% 2030 (4.4), Afflelou SAS 6% 2029 (4.6), Amber Finco PLC 6.63% 2029 (0), Aramark International Finance Sarl 4.38% 2033 (4.2), Banco BPM SpA PERP (4.6), Bellis Acquisition Co PLC 8.13% 2030 (3.5), CMA CGM SA 5.5% 2029 (5.5), Ephios Subco 3 Sarl 7.88% 2031 (4.1), Flos B&b Italia SPA 2029 FRN (4.6), Forvia SE 5.63% 2030 (5.5), Lion/Polaris Lux 4 SA 2029 FRN (4.6), Manuchar Group Sarl 7.25% 2027 (5), Nidda Healthcare Holding GmbH 5.38% 2030 (4), Rossini Sarl 6.75% 2029 (5.6) and Ziggo Bond Co BV 6.13% 2032 (4.9)

Asset class breakdown

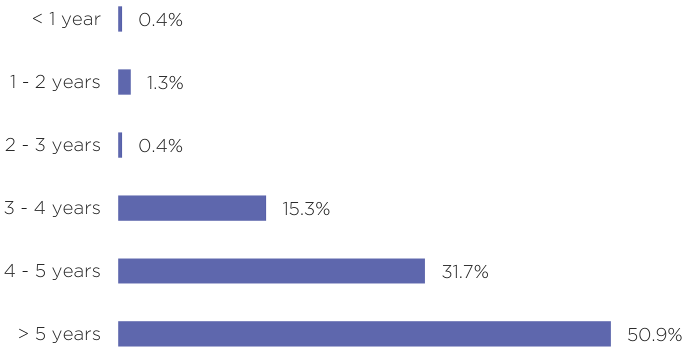
Corporate Bonds	98.1%
UCITS	1.4%
CDS Index	0.0%
Cash and equivalents	0.5%

Bonds portfolio composition and indicators

	Weight	Maturity (yrs)	Modified duration	Yield	Number of lines
Fixed rate bonds	56.84%	5.30	3.28	5.60%	67
Hybrid bonds	23.16%	4.84	4.13	5.15%	25
Floating-rate bonds	18.07%	7.29	2.15	5.28%	30
Total	98.06%	5.56	3.27	5.43%	122

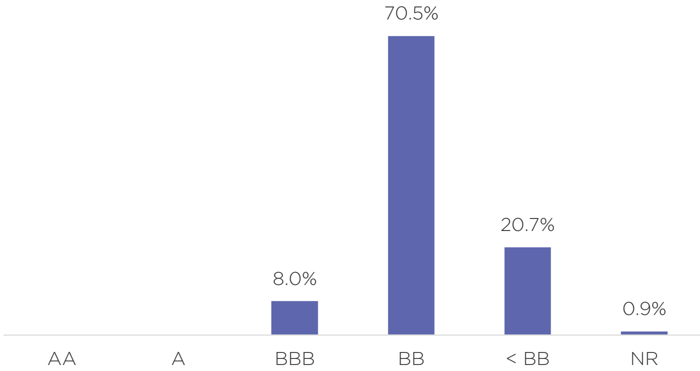
*The figure between brackets represents the issuer's 'responsibility' score. Please refer to the Internal Extra-financial analysis page for the analysis methodology.

Maturity breakdown



Bonds portfolio (base 100)

Rating 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

Financial markets remained buoyant in June, despite rising geopolitical tensions in the Middle East. While worries about energy supplies and rising oil prices weighed a little on European equities, the US market recorded performances of over 5%. The macroeconomic picture remains difficult on the other side of the Atlantic, as long as tariffs have not been defined and negotiations continue. The balance of trade is deteriorating due to the massive increase in imports ahead of the new tariffs. Consumer confidence is weakening, holding back GDP growth. In a few weeks' time, employment could show signs of slowing down as a result of immigration policy. Faced with weaker-than-expected inflation figures, the Fed's rhetoric is evolving, suggesting a first rate cut in July and two more during the year. In Europe, the ECB is pursuing its downward policy as expected. Consumption is consolidating. The announcement of an increase in military spending to 5% of GDP at the NATO summit is fuelling a policy of recovery in the months ahead.

On the bond front, credit spreads are narrowing moderately in Europe (7bp) and on US investment grade (8bp), and more significantly on US high yield (-35bp). Credit once again performed well, but compressed: +0.2% for euro investment grade, +0.6% for euro high yield, +1.8% for US investment grade and +1.9% for US high yield. Credit continues to benefit from significant inflows: +€4 billion for investment grade, +€1.5 billion for high yield. Europe is attracting investors who prefer to reduce their exposure to the United States. The primary market is particularly buoyant for credit, especially for financials and high-yield bonds. Gross issuance was €69 billion for euro investment grade, and €24 billion for high yield. The main reason for this is refinancing, which will reduce the amount of maturities due over the next few years and the risk of default. But there are also new issuers and transactions aimed at paying an exceptional dividend.

Over the month, the DNCA SRI High Yield fund outperformed its benchmark index 0.7% vs. 0.52% %. This performance was driven mainly by BB ratings, but also by hybrids, subordinated insurance and AT1s. Our dollar and sterling exposure also contributed to performance.

The sectors that contributed most to performance were banking, telecoms, capital goods, healthcare and real estate. The least contributing sectors were technology, retail, financial services, utilities and insurance.

The best-performing issuers were Alstom (capital goods), Organon (healthcare), which rebounded on the US market, Unicredit (banking), Heimstaden's hybrid debt (real estate) and Telefonica (telecoms). The least contributing issuers were Almaviva (technology) following the announcement of a debt-financed acquisition, Auchan (retail), Fressnapf (retail), Flos B&B (consumer goods) and SIG plc (capital goods).

During the month, we participated selectively in the primary market, focusing on the strongest fundamentals and most attractive issue premiums, such as Q-Park (transport), CMA CGM (transport), Fibercop (telecommunications), Urbaser (services), Deutsche Euroshop (real estate), Skechers (retail), ZF automotive (automotive), Clarios (automotive) and Benteler (automotive). We also increased the portfolio's credit quality by lightening B ratings and strengthening BB ratings and hybrid debt. We took profits on B-rated issues by Essendi (leisure), Stada Healthcare (healthcare), Opal (healthcare) and Miller Homes (capital goods). We increased our investments in hybrid debt by Prysmian (capital goods), Unibail-Westfield-Rodemco (real estate), Heimstaden (real estate), Alstom (capital goods) and Telefonica (telecoms). On BB ratings, we reinforced OVH (technology) and Lottomatica (leisure).

Over the summer, the credit market should remain resilient. The implementation of tariffs on July 9 still presents some uncertainties, but their impact on economic growth, inflation and the reaction of the US consumer will not be measurable until this autumn. Credit should continue to benefit from strong investment flows, notably from the United States, and a calmer primary market over the summer. Although spreads have tightened and compressed, carry remains attractive. At the end of the month, the portfolio was 98% invested, with a yield of 4.9% and a net duration of 3.2.

Text completed on 09/07/2025.

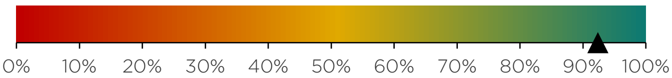

Nolwenn
Le Roux, CFA


Ismaël
Lecanu


Jean-Marc
Frelet, CFA

Internal extra-financial analysis

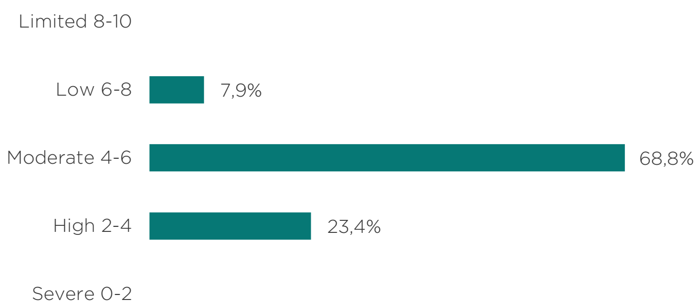
ABA coverage rate+(92.4%)



Average Responsibility Score: 4.7/10

Selectivity universe exclusion rate

Responsibility risk breakdown(1)



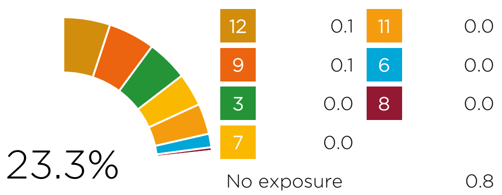
Transition/CSR exposure(2)

CORPORATE RESPONSIBILITY RISK (CSR)

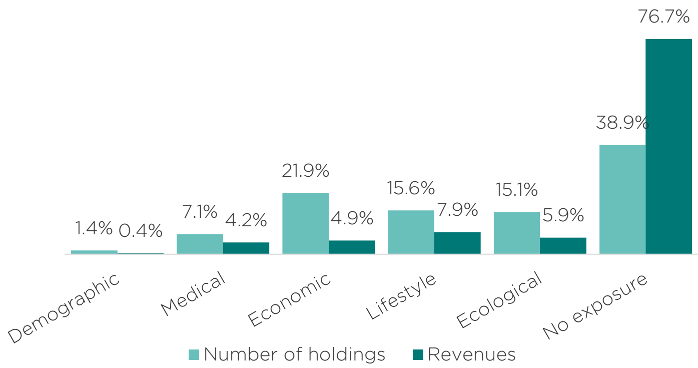
	None	Low	Trend	Major	Pure player
Limited 8-10					
Low 6-8	1%	0%	4%	1%	1%
Moderate 4-6	24%	3%	19%	16%	7%
High 2-4	21%	1%	1%		1%
Severe 0-2		Exclusion area			

SUSTAINABLE TRANSITION EXPOSURE (% Revenue)

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		Ref. Index	
		Coverage	Value	Coverage	Value
PAI Corpo 1_1 - Tier 1 GHG emissions	T CO_2	72%	3,266		
	31/12/2024	67%	3,485		
	29/12/2023	56%	2,814	84%	619
PAI Corpo 1_2 - Tier 2 GHG emissions	T CO_2	72%	1,464		
	31/12/2024	67%	1,871		
	29/12/2023	56%	1,204	84%	112
PAI Corpo 1_3 - Tier 3 GHG emissions	T CO_2	74%	36,744		
	31/12/2024	69%	43,882		
	29/12/2023	56%	41,218	84%	3,254
PAI Corpo 1T - Total GHG emissions	T CO_2	74%	40,730		
	31/12/2024	69%	49,017		
	29/12/2023	56%	42,872	84%	3,802
PAI Corpo 1T_SC12 - Total GHG emissions (Scope 1+2)	T CO_2	74%	4,730		
	31/12/2024	69%	5,356		
PAI Corpo 2 - Carbon footprint	T CO_2/EUR M invested	71%	338	93%	958
	31/12/2024	67%	437	93%	940
	29/12/2023	56%	405	84%	537
PAI Corpo 3 - GHG intensity	T CO_2/EUR M sales	74%	565	92%	890
	31/12/2024	68%	564	93%	868
	29/12/2023	72%	795	96%	959
PAI Corpo 4 - Share of investments in companies active in the fossil fuel sector		79%	0%	93%	0%
	31/12/2024	62%	0%	87%	0%
	29/12/2023	6%	0%	10%	0%
PAI Corpo 5_1 - Share of non-renewable energy consumption		46%	53.7%	60%	63.1%
	31/12/2024	41%	59.7%	58%	65.0%
PAI Corpo 5_2 - Share of non-renewable energy production		0%	0.0%	4%	36.3%
	31/12/2024	0%	0.0%	3%	49.9%
PAI Corpo 6 - Energy consumption intensity by sector with high climate impact	GWh/EUR M sales	71%	0.3	92%	0.7
	31/12/2024	62%	0.4	87%	0.7
PAI Corpo 7 - Activities with a negative impact on biodiversity-sensitive areas		81%	0.0%	93%	0.1%
	31/12/2024	67%	0.0%	92%	0.1%
	29/12/2023	0%	0.0%	1%	0.0%
PAI Corpo 8 - Water discharges	T Water Emissions	3%	0	8%	0
	31/12/2024	0%	0	6%	0
	29/12/2023	0%		2%	29,960
PAI Corpo 9 - Hazardous or radioactive waste ratio	T Hazardous Waste/EUR M invested	70%	0.9	90%	2.2
	31/12/2024	61%	0.8	87%	1.8
	29/12/2023	33%	0.7	48%	3.1
PAI Corpo 10 - Violations of UNGC and OECD principles		89%	0.0%	97%	0.0%
	31/12/2024	78%	0.0%	95%	0.0%
	29/12/2023	67%	0.0%	93%	0.0%
PAI Corpo 11 - Lack of UNGC and OECD compliance processes and mechanisms		81%	0.0%	93%	0.0%
	31/12/2024	63%	0.0%	88%	0.0%
	29/12/2023	66%	0.1%	93%	0.2%
PAI Corpo 12 - Unadjusted gender pay gap		64%	12.8%	79%	11.2%
	31/12/2024	47%	13.8%	69%	11.8%
	29/12/2023	21%	12.3%	33%	12.4%
PAI Corpo 13 - Gender diversity in governance bodies		74%	33.4%	91%	34.8%
	31/12/2024	69%	31.2%	91%	34.0%
	29/12/2023	67%	36.1%	93%	37.3%
PAI Corpo 14 - Exposure to controversial weapons		92%	0.0%	99%	0.0%
	31/12/2024	78%	0.0%	95%	0.0%
	29/12/2023	67%	0.0%	93%	0.0%
PAI Corpo OPT_1 - Water use	m^3/EUR M sales	42%	690	54%	584
	31/12/2024	31%	572	49%	427
	29/12/2023	0%		3%	0
PAI Corpo OPT_2 - Water recycling		0%	0.0%	1%	0.2%
	31/12/2024	0%	0.0%	2%	0.8%
	29/12/2023	0%		2%	0.0%
PAI Corpo OPT_3 - Investments in companies with no policy for preventing accidents at work		81%	0.1%	93%	0.1%
	31/12/2024	63%	0.0%	88%	0.0%
	29/12/2023	22%	1.7%	26%	0.0%

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.

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INTERNATIONAL HIGH YIELD BONDS

Administrative information

Name: DNCA INVEST Sri High Yield
ISIN code (Share ID): LU2606030786
SFDR classification: Art.8
Inception date: 29/05/2023
Investment horizon: Minimum 3 years
Currency: Euro
Country of domicile: Luxembourg
Legal form: SICAV
Reference Index: Bloomberg Euro High Yield BB Rating
Valuation frequency: Daily
Management company: DNCA Finance

Portfolio Managers:
Nolwenn LE ROUX, CFA
Ismaël LECANU
Jean-Marc FRELET, CFA

Minimum investment: 200,000 EUR
Subscription fees: 1% max
Redemption fees: -
Management fees: 0.60%
Management fees and other administrative or operating costs as of 31/12/2024: 0.73%
Transaction costs: 0.21%
Performance fees: 0.11%. Regarding 20% of the positive performance net of any fees above the index: Bloomberg Euro High Yield BB Rating with High Water Mark

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

Legal information

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.
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.
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).
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.