



# Great European Models SRI



Active Management  
European Equities Large and Mid Caps SRI



31 JANUARY 2024

IC CLASS

ISIN ON PAGE 2

## Investment universe

Great European Models SRI invests predominantly in European large and mid caps, incorporating ESG criteria into the process of selecting and analysing portfolio securities. **The fund is labelled ISR.**

## Great Models Investment Process

While a limited number of companies can create value across the business cycle, the lion share of economic profit is captured by a handful of market players. The purpose of the **Great Models methodology** is to identify companies that become great as they leverage both their tangible and intangible assets.

These companies can be obvious GEMs (attractive long-term potential) as well as hidden GEMs, ie little known stories, or, stocks that are impacted by short-term risk aversion in their given segment.

We look for:

- ↳ **SOLID BUSINESS MODELS**
- ↳ **QUALITY OF THE MANAGERIAL STRATEGY**
- ↳ **VALUE CREATION THROUGHOUT MARKET CYCLES**
- ↳ **FAVORABLE MARKET ENVIRONMENT**

▶ Select in this universe the stocks whose couple "rating/stock market potential" is attractive



## Risk indicator - SRI



Risk associated with discretionary investment management • Risk of loss of capital • Equity risk

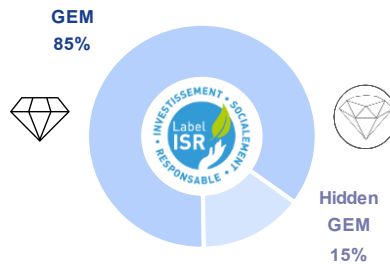
- Small caps risk • Sustainability risk
- Convertible bonds risk • Emerging equities risk • Derivatives market risk
- Credit risk • High yield market risk
- Interest rate risk • Default risk
- Liquidity risk • Foreign exchange market risk.



— GEM (IC)  
— Stoxx 600 NR\*  
— Stoxx 600

\*Benchmark. The reference to this index does not constitute an objective or a limitation in the management and composition of the portfolio, and the Fund does not restrict its universe to the components of the index.  
Source Bloomberg, Base 100

## GREAT MODELS BREAKDOWN



\*Bench mark Net return / \*\*vs Ben chmark / Volatility and TE calculation : Friday NAV, rolling weekly steps / Performance calculation : rolling month-end NAV | **Past performance is not indicative of current or future results . The fund undertakes risks that may lead to a loss of capital.**

## NAV / FUND TOTAL ASSETS

NAV (IC class)	613.35
Fund Total Assets	€ 63.9M

## SECTOR BREAKDOWN

	Port.	Index	Δ%
Health Care	24.5%	15.4%	
Technology	18.3%	8.2%	
Industrial Goods & Serv.	14.1%	13.2%	
Consumer Prod. & Serv.	13.8%	6.6%	
Food & Beverage	6.8%	6.9%	
Chemicals	4.2%	2.6%	
Energy	4.1%	6.0%	
Pers. Care, Drug & Groce	3.3%	2.8%	
Financial Services	2.5%	3.8%	
Utilities	2.5%	3.8%	
Automobiles & Parts	2.4%	2.5%	
Construction & Materials	1.8%	3.8%	
Retail	1.6%	0.9%	
Banks	0.0%	8.7%	
Insurance	0.0%	5.3%	
Telecommunications	0.0%	2.5%	
Basic Resources	0.0%	2.4%	
Media	0.0%	1.9%	
Real Estate	0.0%	1.4%	
Travel & Leisure	0.0%	1.3%	

## PERFORMANCES & RISK INDICATORS

	GEM (IC)	Stoxx 600	Stoxx 600 NR*
Perf. 2015	20.6%	6.8%	9.6%
Perf. 2016	-7.4%	-1.2%	1.7%
Perf. 2017	8.5%	7.7%	10.6%
Perf. 2018	-11.0%	-13.2%	-10.8%
Perf. 2019	26.4%	23.2%	26.8%
Perf. 2020	3.2%	-4.0%	-2.0%
Perf. 2021	26.2%	22.2%	24.9%
Perf. 2022	-24.5%	-12.9%	-10.6%
Perf. 2023	14.8%	12.7%	15.8%
Perf. YTD- 2024	1.1%	1.4%	1.5%
Perf. 5 Years	36.9%	35.4%	53.3%
Perf. 10 years	64.9%	50.6%	95.5%
Perf. Inception (a)	145.3%	86.0%	165.9%
Volatility 5 years	20.6%	18.7%	18.6%
Volatility 3 years	18.3%	14.1%	14.1%
Volatility 1 year	15.4%	12.8%	12.8%
Beta 1 year**	1.1		
Tracking error 1 year**	7.7		

Details of past annual performance on page 4.

Source Bloomberg, Montpensier Finance / (a) 09/23/2010

## COUNTRY BREAKDOWN

	Port.	Index	Δ%
France	24.3%	17.0%	
Netherlands	16.1%	9.4%	
Switzerland	13.2%	14.7%	
Denmark	10.5%	5.3%	
Ireland	8.9%	1.5%	
Sweden	7.7%	4.9%	
United Kingdom	7.5%	22.2%	
Others	11.9%	25.1%	

## MAIN HOLDINGS

Novo Nordisk B	6.8%	SDG 3
ASML Holding	6.2%	SDG 9
Schneider Electric	4.0%	SDG 11
Linde Plc	4.0%	SDG 13
Dassault Systemes	4.0%	SDG 9
Essilor Luxottica	3.9%	SDG 3
Atlas Copco A	3.8%	SDG 9
Hermes International	3.8%	SDG 8
Straumann Holding	3.7%	SDG 3
Lonza	3.6%	SDG 3

Sources: Montpensier Finance / Stoxx

◆ GEM (recognized gems) ◆ Hidden GEM (unrecognized gems)

Errors and omissions excepted. BEFORE ANY INVESTMENT, PLEASE CAREFULLY READ THE KID, FUND PROSPECTUS AND SFDR PRE-CONTRACTUAL DOCUMENT IF APPLICABLE. The decision to invest takes into account all the characteristics, objectives and risks of the UCITS. See full disclaimer on the last page.



## PORTFOLIO

Given the rapidly changing economic environment, central banks are increasingly anticipated. On January 31st, Jerome Powell, while confirming the shift announced on December 13th towards a more accommodative policy, remained very vague about the timing and pace of future rate cuts.

In this context, the healthcare and technology sectors have outperformed the market. Among the technology sector GEM's, ASML stood out following reassuring results and record orders, while ASMi also positively contributed to performance. In healthcare, we note the strong performance of Lonza and NovoNordisk, driven by encouraging results. Among detractors, the renewables sector (EDPR, Nel) once again came under pressure with the rebound in interest rates. We also note that Sika was impacted by results in line with expectations but a slowdown in volumes that weighed on the stock price. Finally, JD Sports issued a profit warning, mainly due to its domestic market.

During the month, major purchases were focused on STMicroelectronics, Lindt, and Lonza (ahead of the results publication). We took advantage of declines to strengthen our positions in Campari, Icon, and JD Sports. In contrast, we reduced our exposure to L'Oréal and Sika (less visibility on volumes). We also took profits on Atlas Copco and Beiersdorf.

## FOCUS : EDP RENOVAVEIS



SDG 7



**EDP Renováveis is the renewable subsidiary owned 70% by the Energias de Portugal (EDP) group. The group develops, builds, and operates wind and solar installations in 28 countries.** With an installed capacity of over 15GW, EDPR is the world's 4th largest wind producer, allowing it to benefit from significant economies of scale compared to smaller renewable players.

The group has a strong track record of execution and aims to build an additional 17GW over the period 2023-2026, equivalent to 4GW per year and doubling its capacities compared to 2020, funded by a significant EUR 20 billion CAPEX plan. The group's growth is driven by targeted investments in high-value-added projects with recurring revenues, self-financed through asset disposals and its own cash flow generation.

In a context of global energy crisis and growing needs for non-fossil fuel supplies, EDPR is ideally positioned to benefit from various environmentally focused stimulus plans, including full exposure to the main pillars of the European Green Deal and the RePowerEU plan, not to mention the IRA in the United States, where EDPR stands as a leader in wind energy.

## FUND DATA

Legal Status	SICAV UCITS V
Inception date of the FCP Great European Models	23rd September 2010
Inception date of the SICAV from the FCP merger	10th February 2016
Currency	EUR
Approved for public distribution in	France, Belgium Luxembourg, Switzerland
Isin	IC : FR0013083656 ID : FR0013084373 IPC : FR0013183118 IPD : FR0013183126 RC : FR0013084381 RD : FR0013084399
Bloomberg	IC : MFGEMIC FP ID : MFGEMID FP IPC : MFGEMPC FP IPD : MFGEMPD FP RC : MFGEMRC FP RD : MFGEMRD FP
Asset Management Company	Montpensier Finance
Custodian	CACEIS Bank
Valuation	Daily (Caceis)
Cut-off	4:00 PM CET
Investment horizon	5 years minimum
PEA - Eligible (applicable in France only)	Yes
SFDR	9



Principles for Responsible Investment

Montpensier Finance is a signatory to the PRI (Principles for Responsible Investment)

Approved for public distribution in :





## Comment on Impact Indicators

The impact of the portfolio is being monitored as we want to contribute positively to the development of a sustainable economy.

### ► Breakdown by Rating ESG

We have no holdings with a rating lower than BBB in our portfolio. Furthermore, the ESG rating distribution of the portfolio highlights a greater number of AAA and AA-rated securities compared to the index.

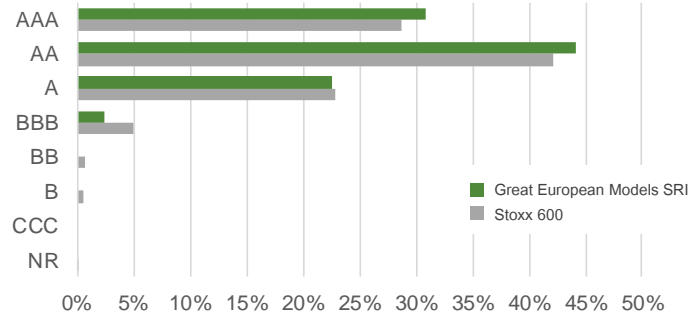
### ► SDG Impact Analysis

Our proprietary Montpensier Impact Assessment method allows us to analyse the environmental and social impact of our stocks in line with the 17 UN SDGs. This month, for example, we find that the portfolio has a particularly positive impact on SDGs 3, 12 and 9.

### ► Environmental performance

The portfolio's emissions relative to its index are significantly lower in carbon footprint and intensity.

## BREAKDOWN BY ESG RATING



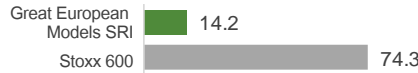
Source Montpensier Finance / MSCI / Stoxx

## ENVIRONMENTAL PERFORMANCE

WEIGHTED AVERAGE CARBON INTENSITY Scope 1 et 2 (Tons of carbon emissions/\$M Turnover)



CARBON FOOTPRINT Scope 1 et 2 (Tons of carbon emissions/€M invested)\*



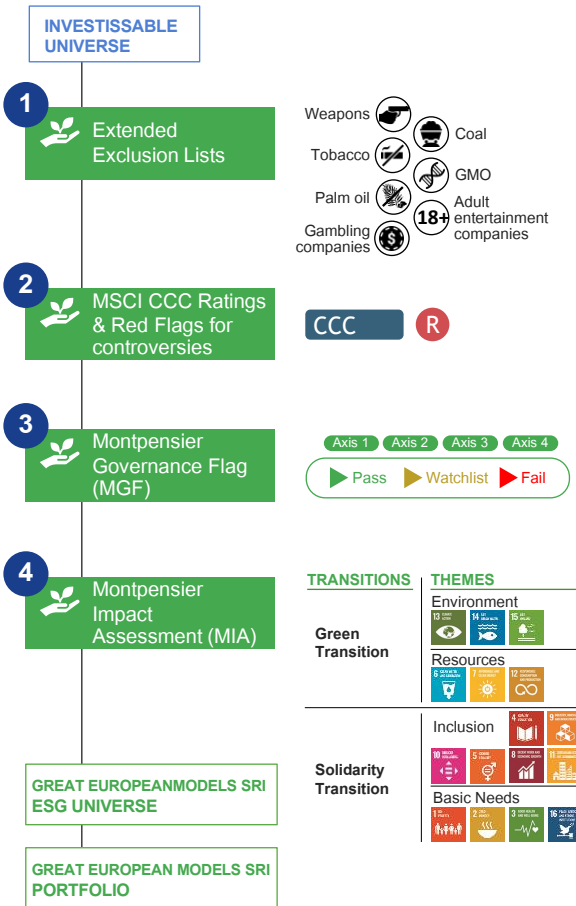
Available data for 100.00% of Great European Models SRI and 99.94% of Stoxx 600

At the date of the report, 28 companies, that is 90.32% of funds positions, accounting for 90.98% of the invested portfolio weight, officially disclose quantitative data about their GHG emissions (Scope 1 and 2). Other data are based on MSCI ESG Research estimations.

\*Under Delegated Regulation (EU) 2022/1288, starting from December 2023, the carbon footprint is standardized by EVIC (Enterprise Value + Cash). Previously, this standardization was conducted using market capitalization.

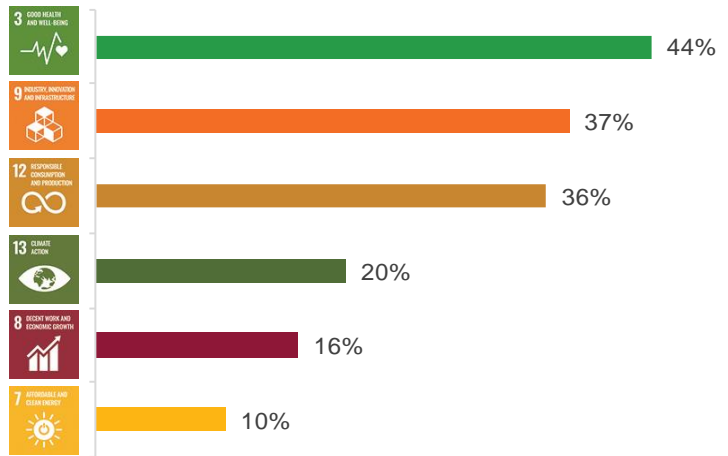
Source Montpensier Finance / MSCI

Select **responsible** values with a **positive impact** on the environment and society



The approach of taking into account extra-financial criteria is a selective approach, based on the proprietary 4-step SRI analysis methodology, developed by Montpensier Finance, with the objective of mitigating sustainability risks, without however being able to guarantee that sustainability risks are totally neutralized. The data used is mainly supplied by MSCI ESG Research and may be supplemented, modified or updated by the Management Company from other sources.

## SDG IMPACT ANALYSIS



Distribution of the involvement of portfolio companies in the UN-defined Sustainable Development Goals. A company may be involved in several SDGs.

\* 1 Poverty. 2 Zero hunger. 3 Good health and well-being. 4 Quality education. 5 Gender equality. 6 Clean water and sanitation. 7 Affordable and clean energy. 8 Decent work and economic growth. 9 Industry, innovation and infrastructure. 10 reduced inequalities. 11 Sustainable cities and communities. 12 Responsible consumption and production. 13 Climate action. 14 Live below water. 15 Life on land. 16 Peace, justice and strong institutions.

Source Montpensier Finance

## GLOSSARY

The glossary is available in the [Impact Report](#).



## PERFORMANCES & RISK INDICATORS (cont.)

	Great European Models SRI (IC)	Stoxx 600	Stoxx 600 NR*
Performance 2011	-13.9%	-11.3%	-8.6%
Performance 2012	22.4%	14.4%	18.2%
Performance 2013	23.7%	17.4%	20.8%
Performance 2014	6.2%	4.4%	7.2%
Performance 2015	20.6%	6.8%	9.6%
Performance 2016	-7.4%	-1.2%	1.7%
Performance 2017	8.5%	7.7%	10.6%
Performance 2018	-11.0%	-13.2%	-10.8%
Performance 2019	26.4%	23.2%	26.8%
Performance 2020	3.2%	-4.0%	-2.0%
Performance 2021	26.2%	22.2%	24.9%
Performance 2022	-24.5%	-12.9%	-10.6%
Performance 2023	14.8%	12.7%	15.8%

Source Bloomberg, Montpensier Finance / Share class launched on 09/23/2010  
 \*Benchmark Net return. The reference to this index does not constitute an objective or a limitation in the management and composition of the portfolio, and the Fund does not restrict its universe.  
**Past performance is not indicative of current or future results. The fund undertakes risks that may lead to a loss of capital.**

## RISK INDICATOR - SRI



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