

avesco Sustainable Hidden Champions Equity (I)

Unit price (NAV): EUR 118.11

Master data SHC Fund

ISIN:	DE000A12BKF6
Fund category:	Equity funds – small and mid caps Europe
Share Class:	Institutional
Appropriation of income:	Distribution
KVG/ management company:	HANSAINVEST Hanseatische Investment-GmbH
Depository/ custodian bank:	Joh. Berenberg, Gossler & Co. KG
Investment manager:	avesco Financial Services AG
Country of registered seat:	Germany
Fund currency:	EUR
First issue date:	5 January 2015
End of fiscal year:	31 December
Investment volume:	EUR 25,348
Distribution licence:	Germany
Minimum investment:	EUR 100,000
Minimum follow-on investment:	EUR 10,000
Last payout:	1.85 EUR per unit (31/01/2020)
Dividend yield:	~ 3 %

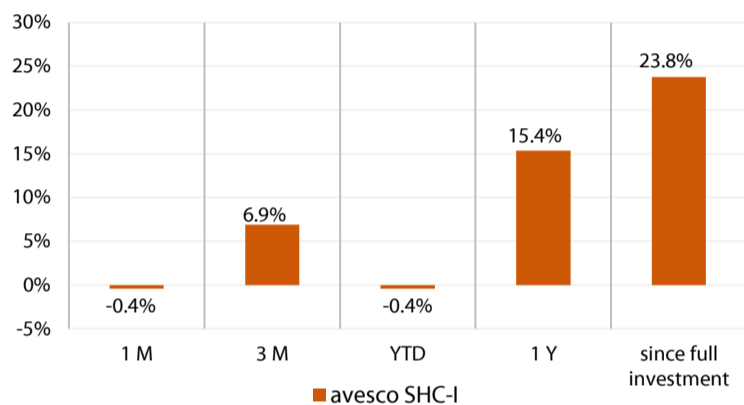
Fees

TER (= running costs):	1.54 %
p.a. of which management fee:	1.10 %
p.a. of which custodian fee:	0.10 %
Issue premium:	0 %
Redemption fee:	0 %

Gross value performance since full investment



Cumulative gross performance



Investment strategy

The fund aims to generate long-term asset growth by investing in small and medium-sized enterprises (small and mid caps) with a sustainable business model. The fund invests primarily in European equities of listed companies that are considered to be continental or world market leaders (hidden champions) in their niche markets and are positioned for sustainability in the areas of ecology, social issues and corporate governance as well as economically. When evaluating securities with regard to their sustainability, intensive research is conducted to find out what potential a company creates, maintains or destroys in the respective areas, what risks exist and whether corporate governance is free of serious shortcomings.

Cumulative gross performance

	1 M	3 M	YTD	1Y	since full investment
avesco	-0.42%	6.89%	-0.42%	15.36%	23.80%

Key figures

Volatility (3Y)	Max. Draw-down (3Y)	Sharpe Ratio (3Y)	PBR	PER
14.36%	-23.87%	1.25	2.19	20.97

Monthly performance

	Jan	Feb	Mrz	Apr	Mai	Jun	Jul	Aug	Sep	Okt	Nov	Dez	Year
2020	-0.42%												-0.42%
2019	11.62%	1.32%	0.00%	6.28%	-2.88%	0.89%	-2.01%	-4.12%	3.44%	5.25%	3.40%	3.80%	29.29%
2018	2.47%	-2.86%	-4.11%	2.25%	2.44%	-3.79%	4.08%	0.98%	-4.22%	-9.21%	-0.03%	-9.40%	-20.39%
2017	2.84%	2.63%	3.10%	2.62%	4.71%	-2.36%	1.52%	-2.00%	3.90%	1.02%	-3.14%	1.83%	17.59%
2016	-7.94%	1.08%	4.00%	1.69%	2.81%	-3.48%	4.52%	2.39%	-0.22%	-1.07%	-2.81%	3.81%	4.07%
2015	2.37%	3.39%	1.58%	-0.85%	2.03%	-4.41%	2.37%	-3.54%	-2.40%	2.59%	1.92%	1.29%	6.10%

Ratings and awards



FNG-Seal 2020



Eurosif Transparency Logo



MSCI ESG Quality Score

AS OF APRIL 2018

6.2/10

AAA AA A BBB BB B CCC Not Rated

Portfolio report

The year 2020 began with geopolitical unrest between Iran and the USA, which eased relatively quickly. This was followed by a mood of euphoria on the stock markets, which was mainly due to the expectation that the global economy would pick up in the future. The American S&P 500 index, the MDAX and the DAX consequently marked new all-time highs. With the outbreak of the corona virus and its possible economic consequences, the mood clouded over towards the end of the month. Weak ifo economic data also contributed to this sentiment. In this environment, the SHC Fund recorded a slight minus of approx. -0.5%.

Among the best performers in January were Nynomic (+18.7%), Steico (+18.3%) and Viscom (+11.9%). The share prices of Nynomic, the expert for optical measurement technology, and Viscom, the manufacturer of automatic inspection systems, rose without new information. Steico presented a revenue record for 2019 and gave a positive outlook. New in the portfolio are the shares of the global market leader for linoleum Forbo. The Swiss company scores with an outstanding market position and very low environmental impact in the production process.

As of ex-date 31 January 2020, the SHC Fund made a distribution of EUR 1.85 per unit, which represents a distribution yield of 1.5%. At the beginning of February, the distribution will flow to the investors.

Top 10 business segments

Medicine	12.7%
Materials	11.6%
Software	10.1%
Construction industry	7.9%
Banks	6.7%
Rail transport	5.9%
Plant engineering	5.9%
Chemicals	5.7%
Engineering	5.5%
Renewable energies	4.3%

Top 10 positions

Symrise AG	3.1%
Energiedienst Holding AG	3.1%
Knorr-Bremse AG	3.0%
Mayr-Melnhof Karton AG	3.0%
Schweiter Technologies AG	2.9%
Sartorius AG	2.8%
Geberit AG	2.8%
Umweltbank AG	2.7%
Nexus AG	2.7%
Energiekontor AG	2.6%

The portfolio currently contains of 54 securities.

Holistic sustainability analysis on the basis of a selected investment*

Hidden Champion: Forbo Holding AG

Headquarters:

Berlin, Germany

Chief Executive Officer:

Martin Müller-Elschner

Forbo Holding is a global manufacturer of flooring and construction adhesives (business unit Flooring Systems) as well as conveyor and drive belts (business unit Movement Systems). The company was founded in 1928 by three linoleum manufacturers from Germany, Sweden and Switzerland under different names. In the early 1970s, the company was renamed. In the following two decades, Forbo developed into a global group with operations on all five continents.

In both business segments Forbo occupies leading positions in the world market with a broad product portfolio. A particular product highlight is the environmentally friendly floor covering linoleum, which is available in various designs. Forbo is world market leader with a market share of around 70% in this market. Large quantities of renewable raw materials such as linseed oil, natural resin, wood and limestone flour, jute and color pigments are used in the production. Further inputs are many secondary raw materials, i.e. recycled waste. In the case of linoleum, the proportion of secondary raw materials is 45%. We encounter Forbo's products every day in our everyday lives: the floor coverings are found, for example, in offices and public buildings, supermarkets, health & educational institutions and in sports halls.

In the business unit Moving Systems, the conveyor and drive belts are used in a wide variety of applications in industrial, commercial and service companies. For example, food, parcels, raw materials, newspapers or packaging roll over the belts. Movement Systems enables its customers according to their requirements to benefit from advantages in manufacturing processes and thus increase efficiency. The industry-specific special solutions sometimes offer significant environmental benefits, for example, through better removability of soft food products or improved detection of contamination.

*changes monthly

Risk and return profile



This avesco Sustainable Hidden Champions equity is classified in category 5 as its share price has fluctuated relatively significantly and consequently both the risk attached to loss and the opportunity attached to returns can be relatively high.

Disclaimer

This Manager Report presents the key figures, opinions and analyses of the portfolio manager as of the reporting date and is not intended as an investment recommendation. The product information sheet, sales prospectus, and semi-annual and annual reports are available free of charge from avesco. The information is only for the use of the person for whom it is intended and may not be reproduced or transmitted to any other person.

Past performance is no guarantee of future returns. The gross value performance method (BVI method) takes into account all costs incurred at fund level (e.g. the management fee). Additional costs may be incurred at customer level (e.g. custody account fees, commissions and other fees). For example, with an investment sum of EUR 100,000 and an investment period of 5 years, additional costs of around 0.4% are incurred for purchase and portfolio management.