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sycamore
francecap

JANUARY 2024

Share A

Isin code | FR0007065743

NAV | 639.4€

Assets | 131.5 M€

SFDR 8

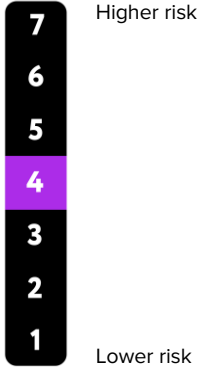
Sustainable Investments

% AUM: ≥ 50%

% Companies*: ≥ 50%

*Excluding derivatives, cash & equivalent

Risk indicator



The risk indicator assumes you keep the product for 5 years.

Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

The fund does not offer any guarantee of return or performance and presents a risk of capital loss

Investment Team



Cyril CHARLOT
Fund Manager



Hadrien BULTE
Fund Manager -
Analyst



Anne-Claire IMPERIALE
SRI Referent



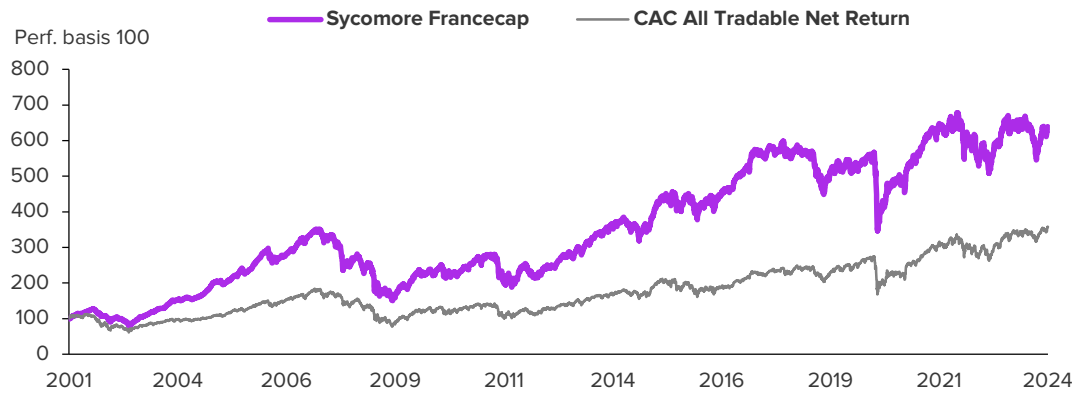
France

Investment strategy

A responsible selection of French equities based on proprietary ESG analysis

Sycamore Francecap aims to outperform its benchmark index, the CAC All-Tradable NR, over a period of five years, through a multi-thematic and socially responsible investment process drawing from our proprietary "SPICE" methodology and economic and societal contribution indicators. The fund invests without sector or market capitalisation constraints in French equities we believe to be trading at a substantial discount. Depending on the manager's forecasts, a significant portion may be allocated to mid-caps.

Performance as of 31.01.2024



	Jan 2024	2024 1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020		
Fund %	0.4	0.4	-0.1	19.3	29.3	539.4	8.7	8.1	-10.9	22.4	-2.8
Index %	1.4	1.4	9.4	43.6	61.5	257.6	5.9	17.8	-8.4	28.3	-4.9

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	1.0	0.9	-4.9%	16.2%	17.0%	5.1%	0.3	-1.3	-25.2%	-21.9%
Inception	0.9	0.7	4.2%	16.6%	21.1%	9.8%	0.5	0.3	-57.3%	-57.5%

Fund commentary

The US economy ended the year with a strong growth momentum (+3.3% in 2023). This positive data raised investors' hopes as the earnings season got under way. LVMH opened the season with a robust publication that was well received by the market. Sales are up 9% over the year, with a stable operating margin. Within the portfolio, top performers in January included Antin, after the company recovered from a challenging year in 2023 on the fundraising front. Nexans also enjoyed a strong rebound, supported by improved visibility on the launch of offshore wind projects in the United States. Worldline featured among top detractors, shedding over 10% despite the announcement that Credit Agricole had acquired minority stakes in the company. Investors remain wary of the management team after the financial communication disasters of 2023.



Fund Information

Inception date

30/10/2001

ISIN codes

Share A - FR0007065743
Share I - FR0010111724
Share ID - FR0012758720
Share R - FR0010111732

Bloomberg tickers

Share A - SYCMICP FP
Share I - SYCMICI FP
Share ID - SYCFRCD FP
Share R - SYCMICR FP

Benchmark

CAC All Tradable Net Return

Legal form

Mutual fund

Domiciliation

France

PEA eligibility

Yes

Investment period

5 yrs

Minimum investment

100 EUR

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

12pm CET Paris (BPSS)

Cash Settlement

D+2

Management fees

Share A - 1.50%
Share I - 1.00%
Share ID - 1.00%
Share R - 2.00%

Performance fees

15% > Benchmark

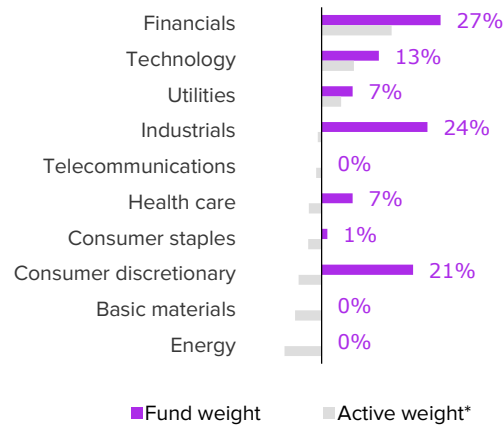
Transaction fees

None

Portfolio

Equity exposure	97%
Overlap with benchmark	23%
Number of holdings	34
Weight of top 20 stocks	73%
Median market cap	6.0 €bn

Sector exposure



*Fund weight - weight CAC All Tradable Net Return

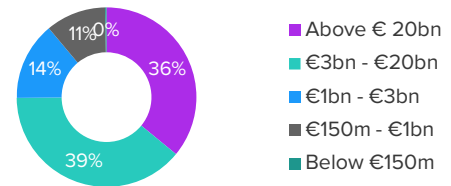
Valuation

	Fund	Index
Ratio P/E 2024	9.1x	12.1x
Croissance bénéficiaire 2024	7.4%	6.5%
Ratio P/BV 2024	1.1x	1.7x
Return on Equity	12.1%	14.1%
Rendement 2024	3.4%	3.2%

Style breakdown



Market cap breakdown



SPICE, for Society & Suppliers, People, Investors, Clients, Environment is our tool for assessing a company's performance on sustainability criteria. This tool incorporates the analysis of economic, governance, environmental, social, and societal risks and opportunities covering both the company's daily operations and its product and service offer.

The analysis process covers 90 criteria and leads to a rating per letter. These 5 ratings are weighted based on the company's most material impacts*.

	Fund	Index
SPICE	3.7/5	3.6/5
S score	3.4/5	3.1/5
P score	3.6/5	3.6/5
I score	3.7/5	3.8/5
C score	3.7/5	3.7/5
E score	3.5/5	3.2/5

Top 10

	Weight	SPICE rating	NEC	CS
Christian Dior	9.7%	4.2/5	-14%	-22%
Peugeot	5.9%	3.4/5	+4%	16%
Sanofi	4.9%	3.1/5	0%	88%
Saint Gobain	4.5%	3.9/5	+16%	32%
Alten	3.9%	3.9/5	+3%	-5%
BNP Paribas	3.7%	3.4/5	+0%	12%
Neurones	3.5%	4.0/5	0%	10%
Verallia	3.4%	3.6/5	-16%	0%
Arverne	3.4%	3.6/5	+4%	0%
Sopra Steria	3.3%	3.8/5	0%	18%

Performance contributors

	Avg. weight	Contrib
Positive		
Christian Dior	9.0%	0.49%
Alten	3.8%	0.28%
Sopra Steria	3.1%	0.27%
Negative		
Worldline	2.1%	-0.54%
Engie	3.4%	-0.34%
Arverne	3.6%	-0.25%

Portfolio changes

Buy

Sodexo
Carrefour
Renault

Reinforcement

Wendel
Bnp Paribas
Bureau Veritas

Sell

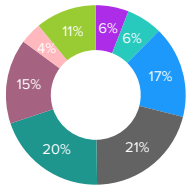
Schneider E.
Euronext

Reduction

Worldline
Saint-Gobain
Spie



Sustainability thematics



- Sustainable mgmt of resources
- SPICE Leadership
- Digital and communication
- Energy transition
- Health & Safety
- SPICE transformation
- Nutrition and well-being
- Access and Inclusion

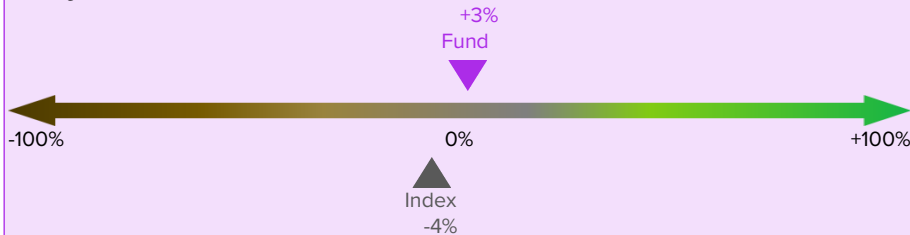
ESG scores

	Fund	Index
ESG*	3.5/5	3.4/5
Environment	3.5/5	3.2/5
Social	3.6/5	3.4/5
Governance	3.7/5	3.6/5

Environmental analysis

Net Environmental Contribution (NEC) **

Degree of alignment of the economic models with the ecological transition, integrating biodiversity and climate, on a scale running from -100% for eco-obstruction to +100% for eco-solution, where 0% equates to the average environmental impact of the global economy. The results are expressed in NEC 1.0 (nec-initiative.org) calculés par Sycomore AM sur la base de données des années 2018 à 2021.
Coverage rate : fund 100% / index 100%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

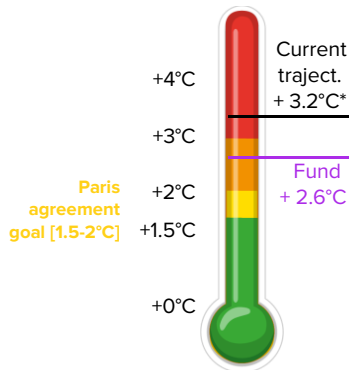
Coverage rate : fund 82% / index 100%



Temperature rising - SB2A

Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.

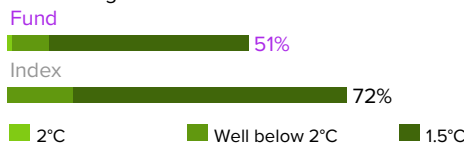
Coverage rate : fund 89%



*IPCC Sixth Assessment Report «Climate Change 2022: Mitigation of Climate Change». <https://www.ipcc.ch/assessment-report/ar6/>

Climate alignment - SBTi

Share of companies that have validated their greenhouse gas reduction targets with the Science-Based Targets initiative.



Carbon footprint

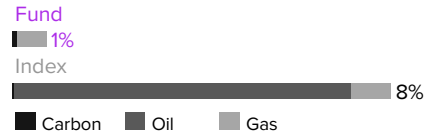
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.

Coverage rate : fund 96% / index 100%

	Fund	Index
kg. eq. CO ₂ /year/k€	290	294

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

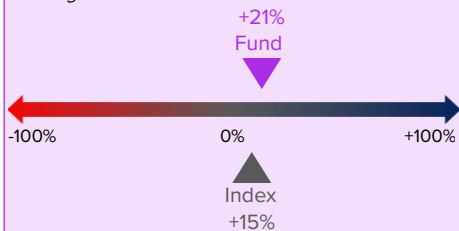


Societal and social analysis

Societal contribution**

Contribution of the economic activity of companies to the resolution of major societal issues, on a scale from -100% to +100%.

Coverage rate : fund 100% / index 99%



The Good Jobs Rating - Quantity

Degree of contribution of companies to sustainable job creation - Focus on the Quantity dimension: direct, indirect and induced job creation over the last three years.

Coverage rate : fund 100% / index 100%

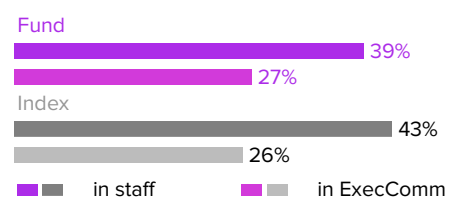


Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

Staff cov. rate: fund 100% / index 99%

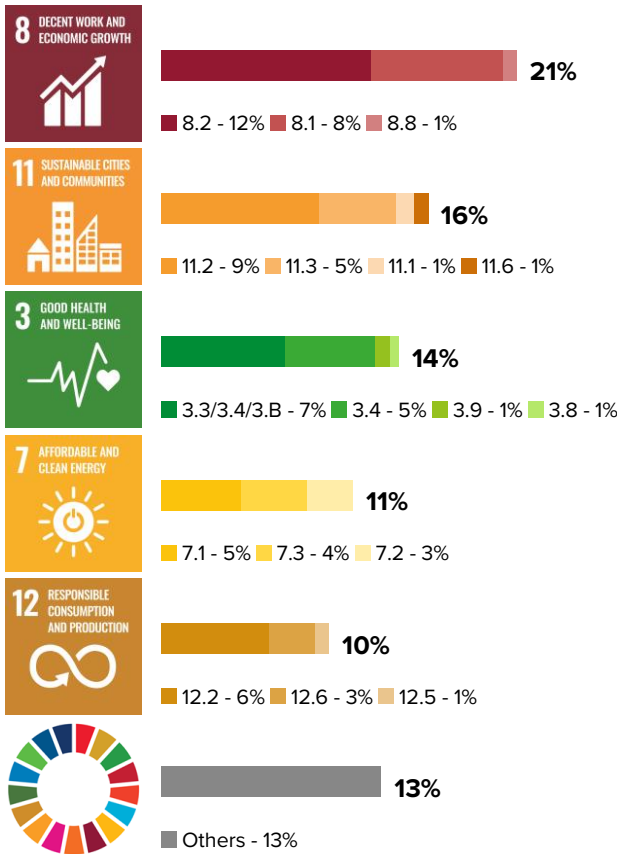
ExecComm cov. rate: fund 100% / index 100%



Sources: company data, Sycomore AM, Trucost, Bloomberg, Science Based Targets, Vigeo. Methodologies and approaches may differ between issuers and providers of extra-financial data. Sycomore AM does not guarantee the accuracy, completeness, and exhaustiveness of the extra-financial reports.*ESG-SPICE correspondence: E=E, S=(P+S+C)/3, G is a sub-part of I, which represents 40%.**The fund has committed to outperforming the benchmark on these two indicators. The other indicators are shown for illustrative purposes.***Footprint allocated prorata to enterprise value, cash included.



Sustainable development goals exposure



This chart represents the main exposures to the United Nations Sustainable Development Goals and their 169 targets. Exposure is defined as the opportunity, for each company, to contribute positively to reaching SDGs, providing their products and services. This exercise doesn't aim to measure the companies effective contribution to SDGs, which is computed through our societal contribution (CS) and net environmental contribution (NEC) metrics. For each invested company, activities are analysed in order to identify those which are exposed to SDGs. For a same activity, its number of targets can vary between 0 and 2. The company target exposure to one of its activities is weighted by the revenue share gained from this activity. For more details, our annual SRI report is available in our ESG documentation.

No significant exposure : 27%

ESG follow-up, news and dialogue

Dialogue and engagement

STMicroelectronics

We asked STMicroelectronics to provide more transparent information on weightings, trigger points, targets and achievements on its criteria relating to short and long-term executive remuneration. We notably encouraged the company to assemble information on the annual ESG criteria achievement ratios within the proxy.

Elis

We took advantage of a recent meeting with management to discuss the group's climate strategy, which was updated in September 2023. This policy is based on three pillars: optimisation of industrial processes, products, transport. We particularly appreciate Elis' strategy aimed at extending product life, thanks to an adapted maintenance and repairs policy.

ESG controversies

No comment

Votes

2 / 2 voted general assemblies over the month.

Details on our votes are available here the day following the company's AGM [Here](#).

Additional disclaimers: although the fund's performances are partly driven by the ESG indicators of portfolio holdings, these are not the sole determining factor. Marketing communication. This information has not been prepared in accordance with legal requirements designed to promote the independence of investment research. Sycomore AM is not banned from trading on these securities prior to the dissemination of this information. Before investing, please read the fund's KIID available on our website: www.sycomore-am.com.