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sycomore
francecap

JUNE 2024

Share A

Isin code | FR0007065743

NAV | 618.7€

Assets | 118.3 M€

SFDR 8

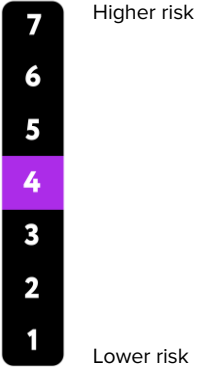
Sustainable Investments

% 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



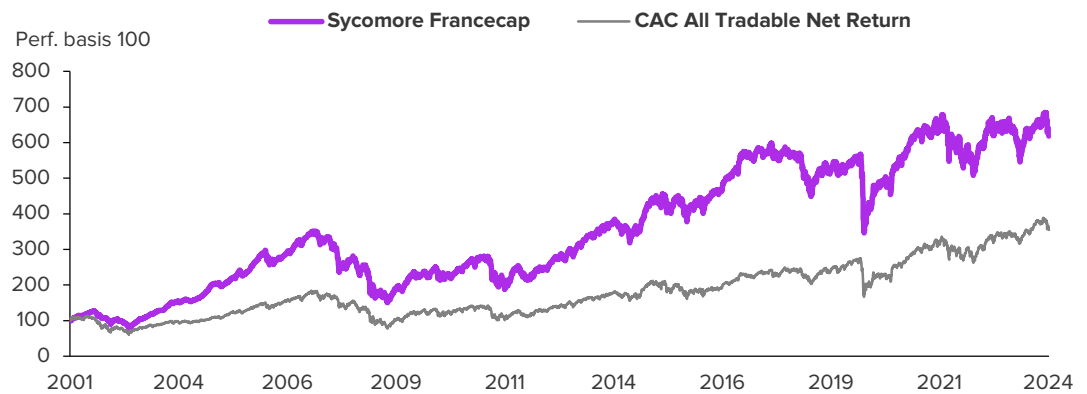
France

Investment strategy

A responsible selection of French equities based on proprietary ESG analysis

Sycomore 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 28.06.2024



	Jun 2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020		
Fund %	-9.0	-2.8	-5.1	-1.0	15.1	518.7	8.4	8.1	-10.9	22.4	-2.8
Index %	-6.7	0.6	2.6	18.5	43.1	254.8	5.7	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	0.9	0.9	-5.2%	16.3%	16.9%	5.5%	-0.1	-1.1	-25.2%	-21.9%
Inception	0.9	0.7	3.9%	16.5%	20.8%	9.8%	0.4	0.3	-57.3%	-57.5%

Fund commentary

After a promising month in May, the positive trend that had been supporting small and mid-caps came to an abrupt end when Parliament was dissolved. Financials and construction-related stocks also suffered considerably. Some of these, including Trigano, Société Générale, Worldline, Burelle and Sopra, plunged by over 15%. In this uncertain political environment, Sanofi, Neoen, Sodexo, Believe and Nexans proved more resilient. Brookfield, the Canadian investment fund, launched a takeover bid on Neoen priced at €39.85. Following Macron's decision to dissolve Parliament, we made a few marginal adjustments within the portfolio, trimming banks and utilities (Engie and Veolia).



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

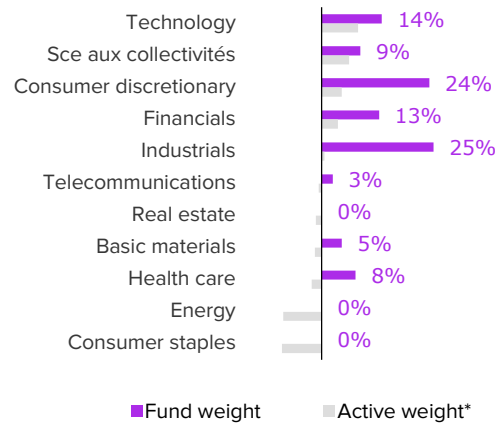
Transaction fees

None

Portfolio

Equity exposure	99%
Overlap with benchmark	24%
Number of holdings	37
Weight of top 20 stocks	72%
Median market cap	5.7 €bn

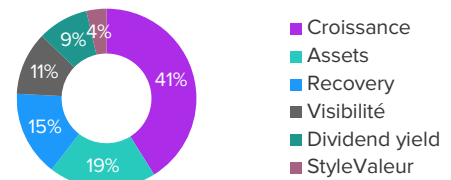
Sector exposure



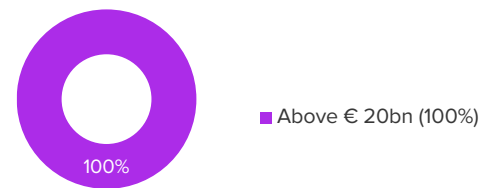
Valuation

	Fund	Index
Ratio P/E 2024	10.1x	12.7x
Croissance bénéficiaire 2024	4.0%	5.7%
Ratio P/BV 2024	1.1x	1.7x
Return on Equity	10.8%	13.1%
Rendement 2024	3.8%	3.5%

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	3.7/5
S score	3.4/5	3.3/5
P score	3.7/5	3.7/5
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	9.0%	4.2/5	-14%	-22%
Peugeot	5.8%	3.2/5	+4%	9%
Wendel	5.4%	3.4/5	0%	38%
Sanofi	5.3%	3.2/5	0%	88%
Saint gobain	4.3%	3.9/5	+10%	33%
Verallia	4.3%	3.8/5	-52%	-15%
Teleperformanc e	3.7%	3.2/5	-1%	8%
BNP paribas	3.6%	3.6/5	+0%	11%
Axa	3.4%	3.7/5	0%	37%
Alten	3.0%	3.9/5	0%	22%

Performance contributors

	Avg. weight	Contrib
Positive		
Sanofi	5.0%	0.02%
Negative		
Peugeot	6.2%	-0.95%
Société générale	2.5%	-0.57%
Sopra-steria	2.8%	-0.49%

Portfolio changes

Buy

Eiffage

Reinforcement

Wendel
Edenred

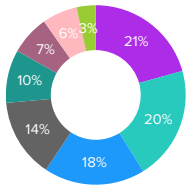
Sell

Reduction

Engie
Société générale
Sodexo



Sustainability thematics



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

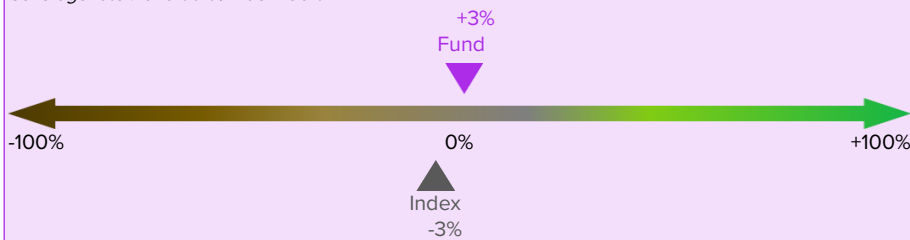
ESG scores

	Fund	Index
ESG*	3.5/5	3.5/5
Environment	3.5/5	3.2/5
Social	3.7/5	3.6/5
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 99% / index 100%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

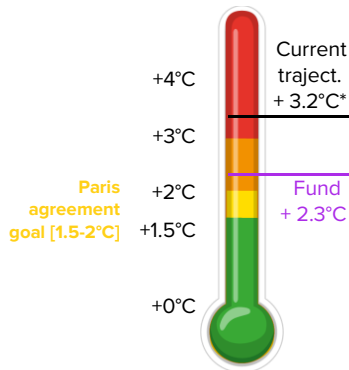
Coverage rate : fund 91% / index 100%



Temperature rising - SB2A

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

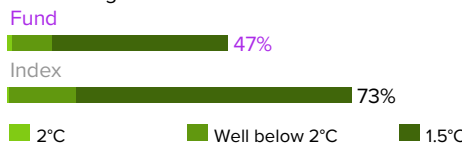
Coverage rate : fund 93%



*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

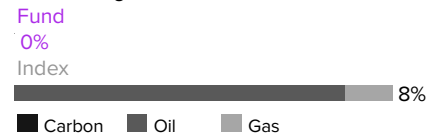
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.

Coverage rate : fund 96% / index 100%

	Fund	Index
kg. eq. CO ₂ /year/k€	154	180

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

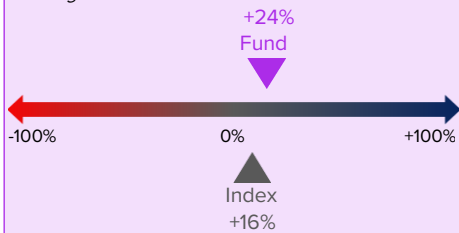


Societal and social analysis

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 100%



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 99% / index 100%

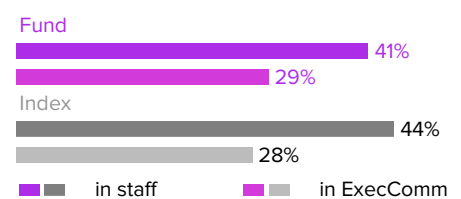


Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

Staff cov. rate: fund 99% / index 91%

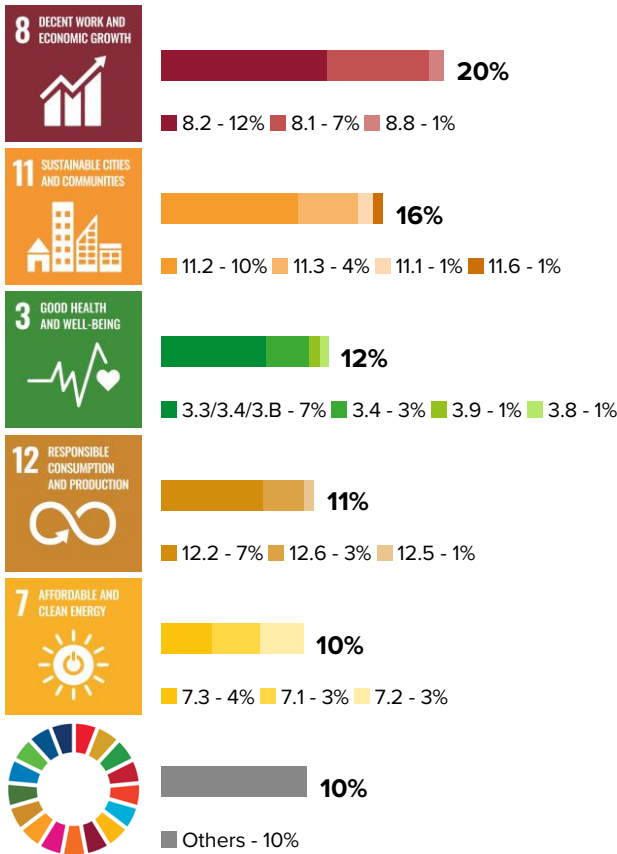
ExecComm cov. rate: fund 99% / index 97%



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 : 32%

ESG follow-up, news and dialogue

Dialogue and engagement

Renault

During our recent meeting with management, we discussed the circular economy within the group: 85% of the components used for vehicles manufactured by the group can be recycled. The percentage of recycled materials used in new vehicles is only 30%, as recycled materials sometimes fail to meet the technical resistance standards imposed by the group's safety criteria. Aluminium was cited as an example.

Saint-Gobain

We had a very insightful meeting on gender diversity with Saint Gobain via the 30% Club France. The company is quite transparent on its gender diversity KPIs and targets. Among the good practices we have identified, they have done a lot of work to make "blue collar" jobs accessible to women and support female managers to become non-executive directors at their subsidiaries.

ESG controversies

Spie

We contacted Spie after a fire incident on the oil platform of one of its clients in Gabon caused 6 deaths. According to the company, Spie was responsible for at least 3 of these employees via a sub-contracting agreement. We shall continue to engage with Spie to encourage the group to improve transparency on risk management and the disclosure of health & safety KPIs when using sub-contractors.

Votes

8 / 8 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 KID available on our website: www.sycomore-am.com.