



sycamore
am

sycamore sélection pme

JANUARY 2024

Share I

Isin code | FR0011707470

NAV | 6,222.8€

Assets | 77.3 M€

SFDR 8

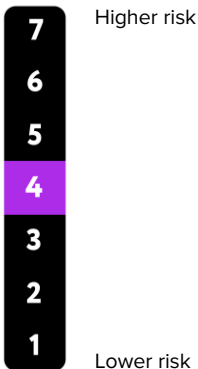
Sustainable Investments

% AUM: $\geq 50\%$

% Companies*: $\geq 50\%$

*Excluding derivatives, cash & equivalent

Risk indicator

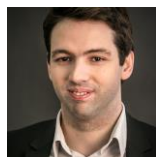


The risk indicator assumes you keep the product for 5 years.

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



Alban PRÉAUBERT
Fund Manager



Hugo MAS
Fund Manager



France



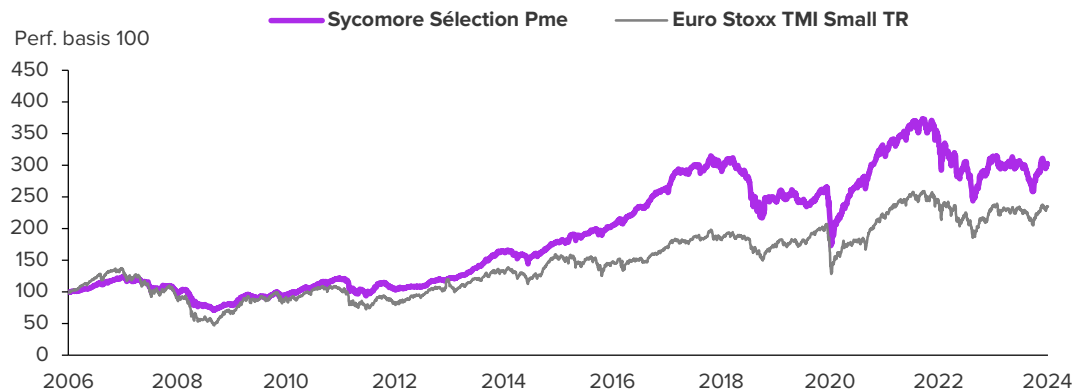
France

Investment strategy

A responsible selection of SMEs

Sycamore Sélection PME seeks to deliver superior returns over a 5-year investment horizon by employing a socially responsible and multithemed investment process (energy transition, healthcare, nutrition, well-being, digital...) in keeping with the United Nations' Sustainable Development Goals (SDGs). Primarily exposed to EU country equities, the fund specifically targets European SMEs that meet the PEA-PME scheme selection criteria, with no sector constraints. Our ESG exclusion and selection methodology is fully integrated into our corporate fundamental analysis framework.

Performance as of 31.01.2024



Past performances do not guarantee future performances. (Source: Sycamore AM, Bloomberg)

	Jan 2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020		
Fund %	-2.9	-2.9	-1.2	-4.9	21.3	201.8	6.5	7.4	-21.9	20.6	19.2
Index %	-0.9	-0.9	2.0	11.7	41.4	135.0	5.0	12.0	-16.7	22.7	4.3

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	0.9	0.9	-4.5%	15.1%	15.8%	6.6%	-0.2	-0.8	-34.8%	-28.4%
Inception	0.8	0.5	3.7%	12.4%	19.0%	12.2%	0.5	0.1	-45.0%	-65.8%

Fund commentary

While the market environment at the end of 2023 seemed much more conducive to small caps, uncertainty on the timing of the rate cutting cycle added new pressure on small cap indices, which slipped in January, while the broad market posted a modest rise. We have trimmed the fund's three weakest performers this year so far: LDLC (wait-and-see attitude on high tech investments at the end of the year), Adesso (increasingly fierce competition in licensing, persisting public sector setbacks and pressure on margins due to wage inflation) and Elmost (fears over a slowdown in the market for automotive semis). In a similar vein, we took some profits on Exel Industries following the stock's strong run during the period. Conversely, we introduced new positions in Virbac (world's 6th player in the veterinary products market, sharp rebound at the end of the year with strong momentum on petfood and in Chile) and Luve (Italian expert in commercial refrigeration and HVAC).



Fund Information

Inception date

31/07/2006

ISIN codes

Share I - FR0011707470

Share R - FR0011707488

Bloomberg tickers

Share I - SYCPMEI FP

Share R - SYCPMER FP

Benchmark

None

Comparison index

Euro Stoxx TMI Small TR

Legal form

Mutual fund

Domiciliation

France

PEA eligibility

Yes

Investment period

5 yrs

Minimum investment

None

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

12pm CET Paris (BPSS)

Cash Settlement

D+2

Management fees

Share I - 1.20%

Share R - 2.40%

Performance fees

15% > 7% Net Annu. perf. with HWM

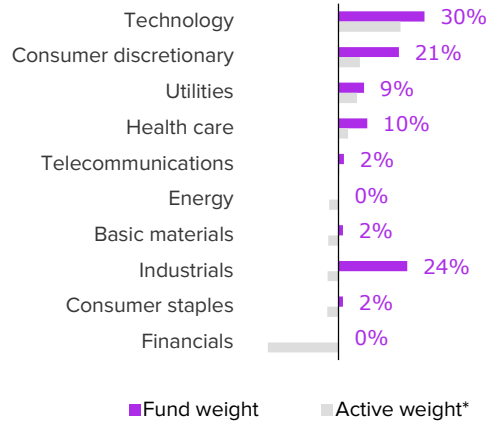
Transaction fees

None

Portfolio

Equity exposure	98%
Overlap with benchmark	2%
Number of holdings	58
Median market cap	0.8 €bn

Sector exposure

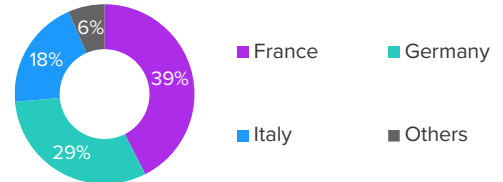


*Fund weight - weight Euro Stoxx TMI Small TR

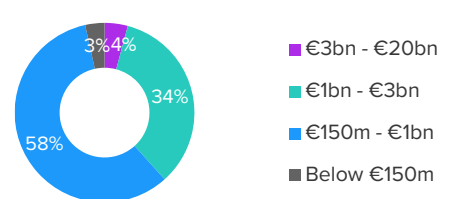
Valuation

Ratio P/E 2024	14.7x	9.8x
Croissance bénéficiaire 2024	10.8%	5.0%
Ratio P/BV 2024	2.2x	1.3x
Return on Equity	14.7%	12.9%
Rendement 2024	2.2%	3.3%

Country 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	3.4/5
S score	3.3/5	3.1/5
P score	3.6/5	3.3/5
I score	3.8/5	3.4/5
C score	3.8/5	3.5/5
E score	3.4/5	3.2/5

Top 10

	Weight	SPICE rating	NEC	CS
Esker	3.3%	3.9/5	+2%	39%
Cembre	2.8%	3.8/5	+14%	0%
Sil	2.8%	4.1/5	0%	6%
Nexus	2.7%	3.5/5	0%	86%
Neurones	2.5%	4.0/5	0%	10%
Vygrs du Mnd	2.4%	3.8/5	+10%	33%
Séché Env.	2.4%	3.7/5	+70%	60%
SeSa	2.4%	3.9/5	0%	10%
PVA TePla	2.4%	3.3/5	+2%	21%
EnergieKontor	2.4%	3.8/5	+94%	50%

Performance contributors

	Avg. weight	Contrib
Positive		
Cembre	2.7%	0.21%
Neurones	2.4%	0.12%
PVA TePla	2.0%	0.12%
Negative		
Equasens	2.0%	-0.30%
Elmos	1.9%	-0.26%
Steico	1.5%	-0.25%

Portfolio changes

Buy

Virbac

Luve

Reinforcement

Steico

PVA Tepla

Cancom

Sell

Burelle

Reduction

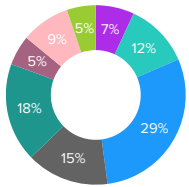
Vetoquinol

Wiit

Adesso Ag



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

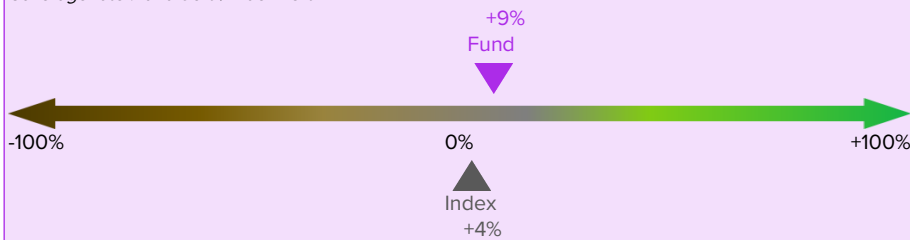
	Fund	Index
ESG*	3.5/5	3.3/5
Environment	3.4/5	3.2/5
Social	3.5/5	3.3/5
Governance	3.5/5	3.3/5

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 96% / index 78%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

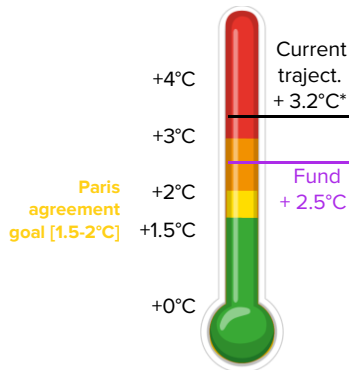
Coverage rate : fund 71% / index 90%



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 31%



*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.

Fund

4%

Index

35%

2°C

Well below 2°C

1.5°C

Carbon footprint

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

Coverage rate : fund 96% / index 96%

	Fund	Index
kg. eq. CO ₂ /year/k€	279	491

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

Fund

10%

Index

1%

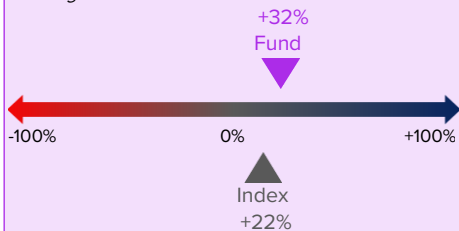
Carbon Oil Gas

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 83% / index 56%



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 95% / index 83%

Fund

58/100

Index

51/100

Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

Staff cov. rate: fund 99% / index 93%

ExecComm cov. rate: fund 94% / index 97%

Fund

31%

14%

Index

34%

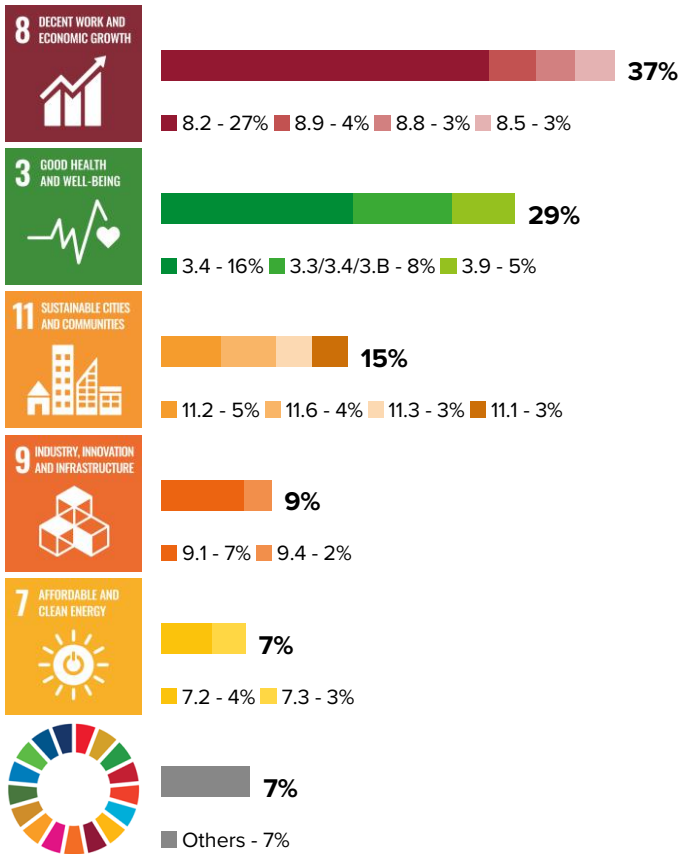
16%

in staff

in ExecComm



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 : 15%

ESG follow-up, news and dialogue

Dialogue and engagement

Esker

We engaged the company on five points: 1) to achieve a 30% female ratio within the executive committee, including mid and short-term targets, 2) for more independence, to change the incumbent statutory auditor after 24 years of tenure, 3) to appoint an independent director within the Audit Committee to ensure 3 members are 66% independent, 4) to put the CEO's remuneration to a shareholder vote at the AGM, 5) to introduce carbon footprint reduction targets.

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](#).

Rovi

Management indicated that mid-term, GLP1 could be a major source of growth for the group for its fill and finish activity. This would widen the customer portfolio of the company which is positive. But this could take some time since no agreement has been announced yet with a weight-loss drug operator. Moreover, Rovi would have to receive approvals from the EMA and/or the FDA.

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.