



**sycamore**  
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sycamore

# sélection responsable

JANUARY 2024

Share R

Isin code | FR0011169341

NAV | 447.6€

Assets | 557.9 M€

## SFDR 8

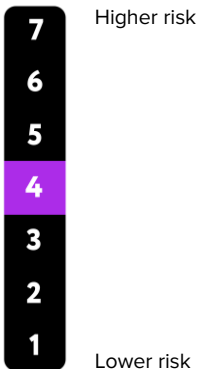
### Sustainable Investments

% AUM:  $\geq 70\%$

% Companies\*:  $\geq 70\%$

\*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



**Olivier CASSE**  
Fund Manager



**Giulia CULOT**  
Fund Manager



**Catherine ROLLAND**  
SRI analyst



France



Belgium



Austria



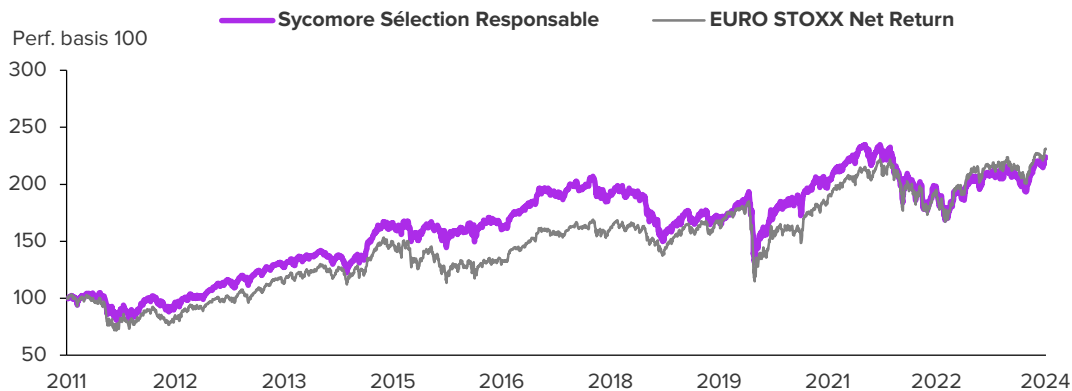
Germany

### Investment strategy

#### A responsible selection of Eurozone equities based on proprietary ESG analysis

Sycamore Sélection Responsable is a conviction-driven fund which aims to deliver financial returns above those of the EuroStoxx Total Return index over a minimum investment horizon of five years, by applying a multithemed socially responsible investment process (energy transition, health, nutrition, digital, etc.) in keeping with the United Nations' Sustainable Development Goals. The fund mainly invests in the capital of quality Eurozone companies, which benefit from sustainable development opportunities and whose intrinsic valuation is believed to be above their stock market value.

### Performance as of 31.01.2024



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

|                | Jan 2024 | 2024 1 year | 3 yrs | 5 yrs | Inc. Annu. | 2023  | 2022 | 2021 | 2020  |      |      |
|----------------|----------|-------------|-------|-------|------------|-------|------|------|-------|------|------|
| <b>Fund %</b>  | 1.7      | 1.7         | 10.5  | 13.5  | 39.6       | 123.8 | 6.4  | 18.2 | -19.3 | 15.0 | 10.1 |
| <b>Index %</b> | 1.9      | 1.9         | 10.6  | 31.8  | 54.7       | 130.8 | 6.6  | 18.5 | -12.3 | 22.7 | 0.2  |

### Statistics

|                  | Corr. | Beta | Alpha | Vol.  | Bench. Vol | Track. Error | Sharpe Ratio | Info Ratio | Draw Down | Bench. DD |
|------------------|-------|------|-------|-------|------------|--------------|--------------|------------|-----------|-----------|
| <b>3 years</b>   | 1.0   | 0.9  | -4.3% | 16.3% | 16.9%      | 4.0%         | 0.2          | -1.3       | -28.2%    | -24.6%    |
| <b>Inception</b> | 1.0   | 0.8  | 0.8%  | 16.4% | 19.0%      | 6.0%         | 0.4          | 0.0        | -36.7%    | -37.9%    |

### Fund commentary

Eurozone equity markets hit new highs during the month, lifted by the release of reassuring leading indicators for the economy, and as the annual earnings season kicked off with a bang. Leading tech companies such as ASML and SAP are proving that some companies in the Eurozone are able to deliver significant growth and offer an attractive outlook, despite Europe's sluggish macro environment. Driven by this strong conviction, we have positioned the portfolio across three key themes for the next few months: electrification, artificial intelligence, and healthcare. In addition, several companies displaying a more cyclical profile, but trading at weak valuations (such as Renault and Société Générale), now also feature among our top investment convictions.



## Fund Information

### Inception date

24/01/2011

### ISIN codes

Share I - FR0010971705  
Share ID - FR0012719524  
Share ID2 - FR0013277175  
Share R - FR0011169341  
Share RP - FR0010971721

### Bloomberg tickers

Share I - SYSEREI FP  
Share ID - SYSERED FP  
Share ID2 - SYSERD2 FP  
Share R - SYSEREA FP  
Share RP - SYSERER FP

### Benchmark

EURO STOXX Net Return

### 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 - 1.00%  
Share ID - 1.00%  
Share ID2 - 1.00%  
Share R - 2.00%  
Share RP - 2.00%

### Performance fees

15% > Benchmark

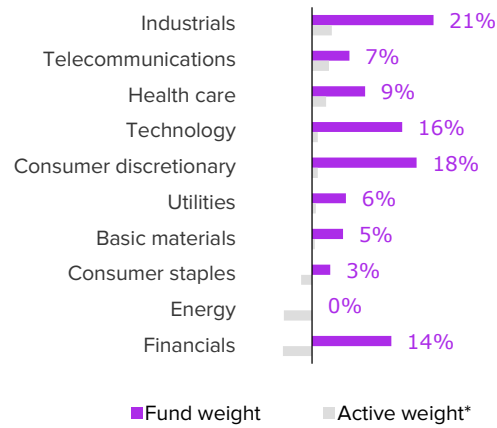
### Transaction fees

None

## Portfolio

|                         |          |
|-------------------------|----------|
| Equity exposure         | 95%      |
| Overlap with benchmark  | 35%      |
| Number of holdings      | 40       |
| Weight of top 20 stocks | 71%      |
| Median market cap       | 59.5 €bn |

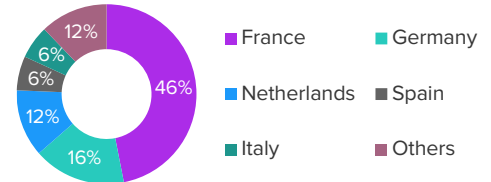
## Sector exposure



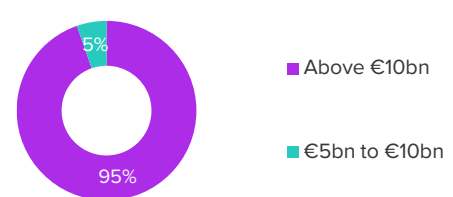
## Valuation

|                              | Fund  | Index |
|------------------------------|-------|-------|
| Ratio P/E 2024               | 11.7x | 12.3x |
| Croissance bénéficiaire 2024 | 6.1%  | 5.7%  |
| Ratio P/BV 2024              | 1.5x  | 1.7x  |
| Return on Equity             | 13.0% | 14.0% |
| Rendement 2024               | 3.0%  | 3.4%  |

## 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   | 3.8/5 | 3.6/5 |
| S score | 3.4/5 | 3.2/5 |
| P score | 3.7/5 | 3.5/5 |
| I score | 3.8/5 | 3.7/5 |
| C score | 3.8/5 | 3.6/5 |
| E score | 3.6/5 | 3.3/5 |

## Top 10

|                  | Weight | SPICE rating | NEC  | CS   |
|------------------|--------|--------------|------|------|
| ASML             | 5.7%   | 4.3/5        | +6%  | 27%  |
| SAP              | 4.5%   | 3.9/5        | +5%  | 20%  |
| Prysmian         | 4.5%   | 3.8/5        | +28% | 24%  |
| Siemens AG       | 4.4%   | 3.4/5        | +20% | 43%  |
| KPN              | 4.3%   | 3.6/5        | 0%   | 60%  |
| Renault          | 4.3%   | 3.4/5        | +26% | 0%   |
| LVMH             | 4.2%   | 3.8/5        | -13% | -22% |
| Air Liquide      | 4.1%   | 4.1/5        | +1%  | 18%  |
| Société Générale | 4.0%   | 3.3/5        | 0%   | 18%  |
| Schneider E.     | 3.7%   | 4.2/5        | +13% | 37%  |

## Performance contributors

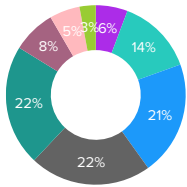
|                 | Avg. weight | Contrib |
|-----------------|-------------|---------|
| <b>Positive</b> |             |         |
| ASML            | 4.7%        | 0.76%   |
| SAP             | 3.6%        | 0.59%   |
| LVMH            | 3.7%        | 0.23%   |
| <b>Negative</b> |             |         |
| Infineon        | 2.1%        | -0.24%  |
| Renault         | 3.5%        | -0.21%  |
| Michelin        | 3.6%        | -0.20%  |

## Portfolio changes

| Buy             | Reinforcement | Sell | Reduction    |
|-----------------|---------------|------|--------------|
| Novartis Ag-Reg | Renault       |      | Autoliv      |
|                 | Sap           |      | Sanofi       |
|                 | Prysmian      |      | Schneider E. |



## 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

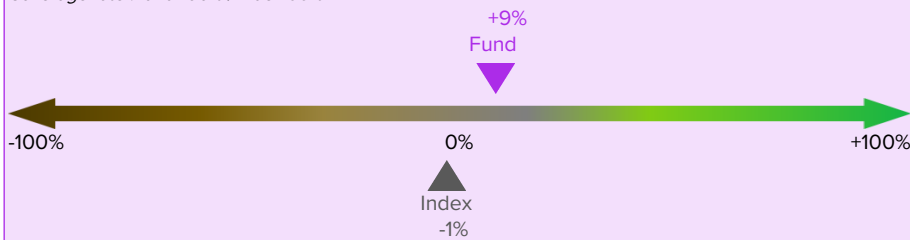
|             | Fund         | Index        |
|-------------|--------------|--------------|
| <b>ESG*</b> | <b>3.6/5</b> | <b>3.4/5</b> |
| Environment | 3.6/5        | 3.3/5        |
| Social      | 3.6/5        | 3.4/5        |
| Governance  | 3.7/5        | 3.5/5        |

## 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](https://nec-initiative.org)) calculés par Sycomore AM sur la base de données des années 2018 à 2021.

Coverage rate : fund 100% / index 99%



### European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

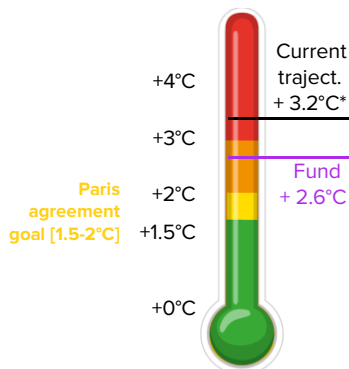
Coverage rate : fund 100% / index 99%



### Temperature rising - SB2A

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

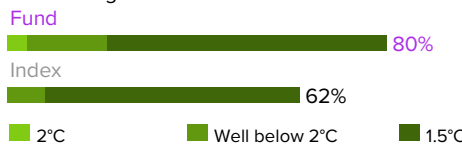
Coverage rate : fund 91%



\*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

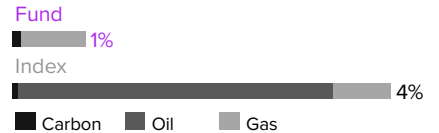
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested\*\*\*.

Coverage rate : fund 99% / index 99%



### Fossil fuel exposure

Percentage of income derived from the three fossil energies.



### Biodiversity footprint

Artificialised surface area in m<sup>2</sup> MSA per k€ invested\*\*\*, measured by the Corporate Biodiversity Footprint. Mean Species Abundance (MSA) is assessed in comparison with the original state of the environment.

Coverage rate : fund 97% / index 98%

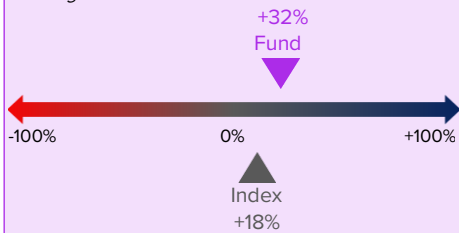


## Societal and social analysis

### 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 95%



### Human rights policy

Percentage of portfolio companies that have drawn up a Human Rights policy.

Coverage rate : fund 100% / index 99%

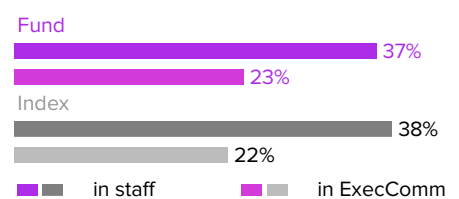


### Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

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

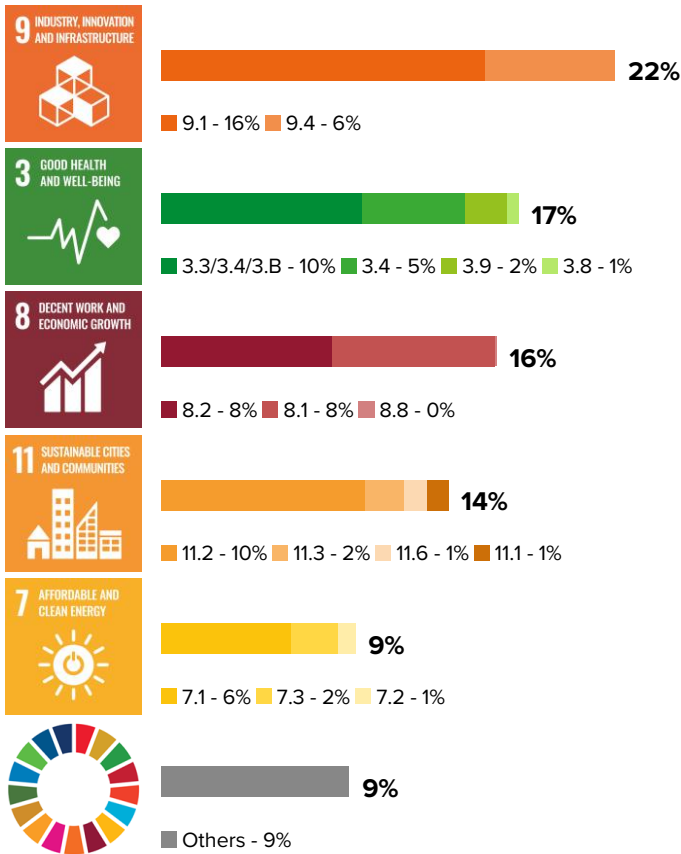
ExecComm cov. rate : fund 100% / index 100%



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 : 20%**

## ESG follow-up, news and dialogue

### Dialogue and engagement

#### Novo Nordisk

The FDA indicated that it did not find so far evidence that weight-loss drugs, such as Wegovy, were tied to suicidal thoughts. It will nevertheless continue to study the issue: it could not definitively rule out that a small risk may exist due to the limited data available. We go on monitoring very closely the potential side effects of weight-loss drugs for people who take this treatment off-label, for aesthetic reasons (of which suicidal and self-arming thoughts, aspiration, bowel instruction).

#### 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

#### Novartis

The U.S. Food and Drug Administration (FDA) has reviewed a TV ad for Kisqali. According to the FDA, overstated representations about Kisqali's efficacy could lead patients with advanced or metastatic breast cancer to believe that Kisqali has been shown to be more effective in treating their condition and symptoms. In the ad, Novartis states that Kisqali enables patients to live longer and helps preserve their quality of life.

### Votes

0 / 0 voted general assembly 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](http://www.sycomore-am.com).