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# sélection responsable

JANUARY 2023

Share | USD H

Isin code | FR0013320314

NAV | 124.9\$

Assets | 554.9 M\$

## SFDR 8

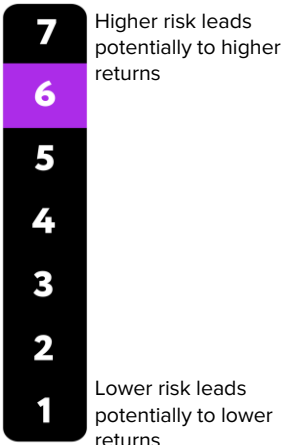
### Sustainable Investments

% AUM:  $\geq 70\%$

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

\*Excluding derivatives, cash & equivalent

## SRRI



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

## Investment Team



**Cyril CHARLOT**  
Fund Manager



**Olivier CASSÉ**  
Fund Manager



**Bertille KNUCKEY**  
Fund Manager



**Giulia CULOT**  
Fund Manager



France



Belgium



Austria



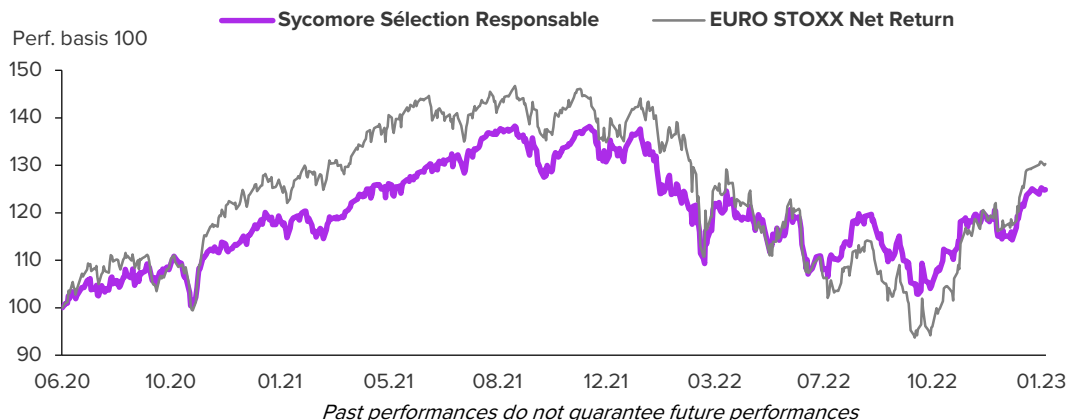
Germany

## 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 31.01.2023



	Jan	2023	1 year	Inc.	Annu.	2022	2021	2020
<b>Fund %</b>	9.3	9.3	-0.8	24.9	8.9	-16.2	16.9	16.6
<b>Index %</b>	10.9	10.9	-3.7	30.3	10.7	-17.4	14.2	24.6

## Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
<b>Création</b>	0.9	0.7	1.1%	17.8%	22.7%	9.9%	0.5	-0.2	-25.6%	-36.1%

## Fund commentary

After pausing for breath in December, Eurozone equity markets resumed the upward trend begun in Q4 2022, lifted by hopes that the economic slowdown would remain under control, and be combined with a phase of disinflation. Last year's laggards (tech, real estate) rebounded sharply, while defensive sectors (utilities, staple consumer goods) and oil stocks struggled to keep up. This environment was largely favourable to Sycamore Sélection Responsable thanks to the fund's diversified exposure to a selection of growth stocks (ASML, ASMi, Hermès, Infineon and Straumann) and undervalued companies (Autoliv, BNP Paribas, Husqvarna, and Saint-Gobain) which rallied over 15% during the month. Portfolio movements included some profit taking on growth stocks displaying rich valuations (Novo Nordisk, Adyen, Straumann, IMCD). With the proceeds, we initiated new positions in KPN and Santander.



## Fund Information

### Inception date

24/01/2011

### ISIN codes

Share I - FR0010971705  
Share I USD H - FR0013320314  
Share ID - FR0012719524  
Share ID2 - FR0013277175  
Share RP - FR0010971721

### Bloomberg tickers

Share I - SYSEREI FP  
Share I USD H - SYSRIUH FP  
Share ID - SYSERED FP  
Share ID2 - SYSERD2 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

100 EUR

### UCITS V

Yes

### Valuation

Daily

### Currency

USD

### Cut-Off

12pm CET Paris (BPSS)

### Cash Settlement

T+2

### Management fees

Share I - 1.00%  
Share I USD H - 1.00%  
Share ID - 1.00%  
Share ID2 - 1.00%  
Share RP - 2.00%

### Performance fees

15% > Benchmark

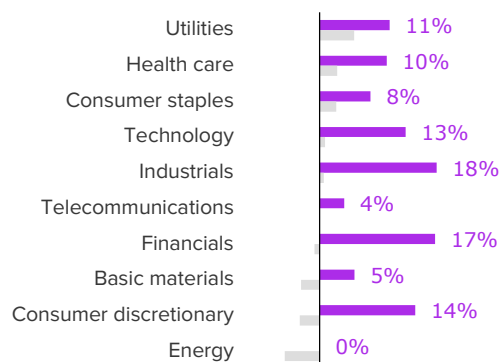
### Transaction fees

None

## Portfolio

Equity exposure	94%
Overlap with benchmark	32%
Number of holdings	61
Weight of top 20 stocks	54%
Median market cap	44.6 €bn

## Sector exposure



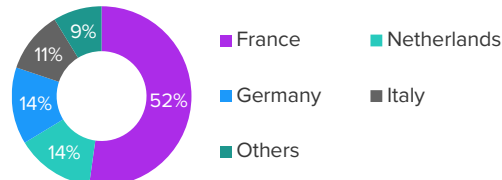
■ Fund weight ■ Active weight\*

\*Fund weight - weight EURO STOXX Net Return

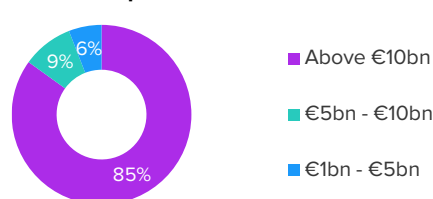
## Valuation

	Fund	Index
2023 PER	15.2x	12.7x
2023 EPS growth	7.7%	8.5%
2023 P/BV ratio	2.1x	1.5x
Return on Equity	13.6%	11.9%
2023 Dividend Yield	2.9%	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	3.8/5	3.5/5
S score	3.5/5	3.2/5
P score	3.8/5	3.5/5
I score	3.8/5	3.7/5
C score	3.8/5	3.6/5
E score	3.6/5	3.2/5

## Top 10

	Weight	SPICE rating	NEC	CS
ASML	5.7%	4.3/5	+4%	27%
Air Liquide	4.0%	4.1/5	+1%	10%
AXA	3.7%	3.7/5	0%	35%
Hermès	3.6%	4.3/5	-10%	-15%
Schneider E.	3.2%	4.3/5	+13%	37%
BNP Paribas	2.8%	3.4/5	+0%	12%
Sanofi	2.8%	3.2/5	0%	83%
L'Oreal	2.7%	4.1/5	-5%	2%
Iberdrola	2.7%	3.8/5	+44%	29%
Munich Re.	2.5%	3.4/5	0%	34%

## Performance contributors

	Avg. weight	Contrib
<b>Positive</b>		
ASML	5.7%	1.02%
BNP Paribas	3.7%	0.64%
Hermès	3.5%	0.61%
<b>Negative</b>		
Engie	2.0%	-0.06%
Orsted	1.5%	-0.05%
Symrise	1.0%	-0.04%

## Portfolio changes

### Buy

Koninklijke Kpn  
Banco Santander

### Reinforcement

Autoliv  
Bureau Veritas  
Axa

### Sell

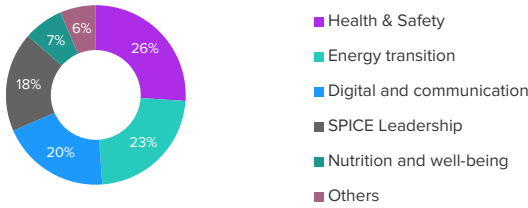
Adyen

### Reduction

Bnp Paribas  
Straumann  
Imcd



## Sustainability thematics



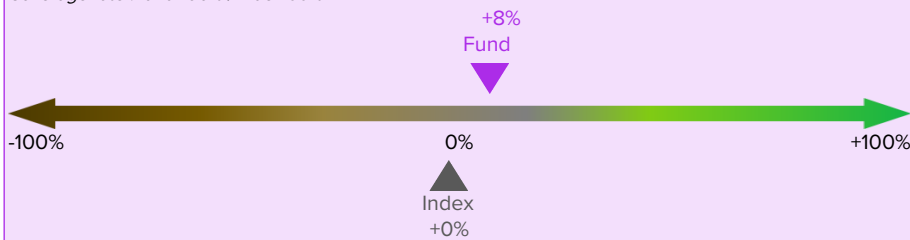
## ESG scores

	Fund	Index
<b>ESG*</b>	<b>3.6/5</b>	<b>3.3/5</b>
Environment	3.6/5	3.2/5
Social	3.7/5	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)) scores calculated by Sycomore Asset Management on the basis of data collected from 2018 to 2021.  
Coverage rate : fund 100% / index 99%



### European taxonomy

Turnover percentage of companies eligible to UE taxonomy

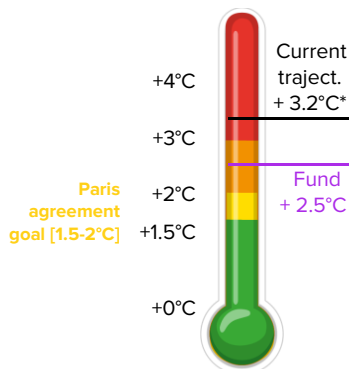
Coverage rate : fund 100% / index 99%



### Temperature rising - SB2A

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

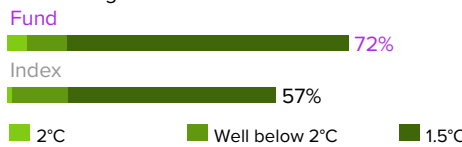
Coverage rate : fund 77%



\*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

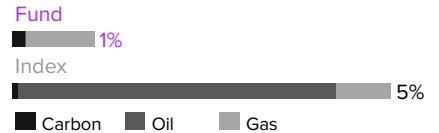
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested\*\*\*.

Coverage rate : fund 100% / index 98%



### 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 100% / index 98%

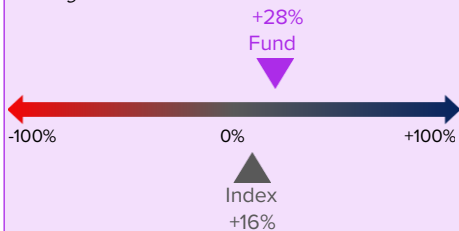


## Societal and social analysis

### 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 99% / index 93%



### Human rights policy

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

Coverage rate : fund 100% / index 98%

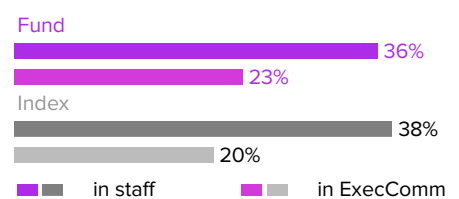


### Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

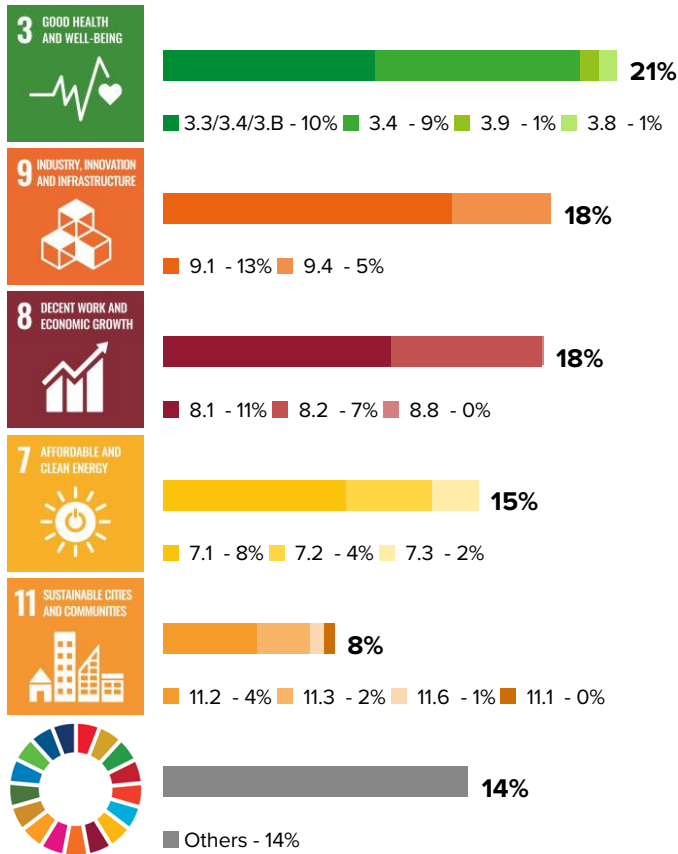
Staff cov. rate : fund 99% / index 98%

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





## 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 : 19%**

## ESG follow-up, news and dialogue

### Dialogue and engagement

#### L'Oréal

Discussions with the company on the most pertinent data for measuring the gender pay gap. L'Oréal already discloses this information in the UK and in France and has noted that a group-level indicator could introduce a "best practice".

#### Veolia

During discussions held with the Investor Relations team in January, we made several recommendations for improvement to Veolia regarding its environmental policy and its reporting: coal exit timeline, transparency on the company's power mix for its heating a cooling networks, and clarification on the scope of activities eligible with the European taxonomy. The company responded positively on the reporting issues but expressed some reservations on the disclosure of a precise coal exit timeline.

### ESG controversies

#### Axa

In November 2022, several insurance companies published the Partnership for Carbon Accounting Financials (PCAF) which sets disclosure standards on emissions within the insurance industry. These standards are controversial as they fail to include requirements for scope 3, which remains, however, the largest for the industry. Pas d'impact sur la gestion. De manière plus générale, nous veillons dans l'analyse des démarches climat des entreprises à la prise en compte du scope 3.

### Votes

2 / 2 voted general assemblies over the month.

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