



**sycamore**  
**am**

sycamore

**europa eco solutions**

FEBRUARY 2024

Share R

Isin code | LU1183791794

NAV | 145.9€

Assets | 503.7 M€

## SFDR 9

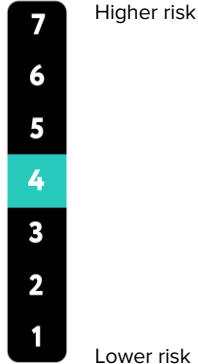
### Sustainable Investments

% AUM: ≥ 80%

% Companies\*: 100%

\*Excluding derivatives, cash & equivalent

### Risk indicator



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

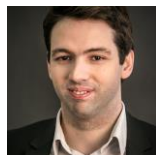
**Warning :** the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

### Investment Team



**Anne-Claire ABADIE**  
Fund Manager



**Alban PRÉAUBERT**  
Fund Manager



France



**GREENFIN LABEL**  
FRANCE FINANCE VERTE

France



Belgium



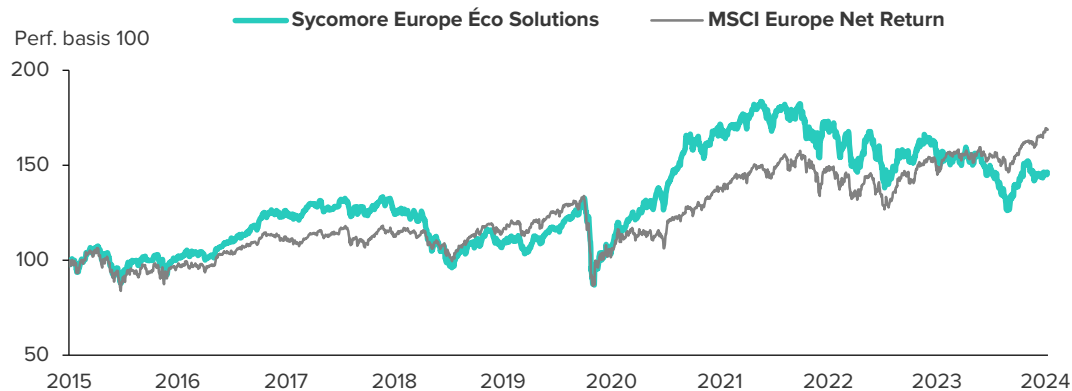
Germany

### Investment strategy

#### A European selection of companies supporting the environmental transition

Sycamore Europe Eco Solutions invests in listed European companies across the entire market capitalisation spectrum. The fund focuses on companies with business models that support the environmental transition according to the Net Environmental Contribution (NEC) metric, covering a wide range of areas: renewable energy, energy efficiency and electrification, mobility, natural resources, renovation and construction, circular economy, food, and ecosystem services. The fund excludes businesses that destroy biodiversity, contribute towards global warming, or display poor Environmental, Societal and Governance ratings.

### Performance as of 29.02.2024



	Feb	2024	1 year	3 yrs	5 yrs	Inc.	Annu.	2023	2022	2021	2020
Fund %	0.2	-4.1	-9.9	-6.9	34.7	45.9	4.5	0.5	-16.7	16.3	28.0
Index %	1.9	3.5	10.4	33.5	49.7	68.7	6.3	15.8	-9.5	25.1	-3.3

### Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	0.9	1.0	-11.7%	16.9%	14.4%	8.5%	-0.2	-1.5	-31.2%	-19.5%
<b>Inception</b>	0.9	0.9	-0.9%	16.8%	16.5%	7.9%	0.3	-0.2	-34.8%	-35.3%

### Fund commentary

While the economic environment remains supportive for equity markets, higher than expected inflation readings in the United States dampened any hopes of fast and substantial interest rate cuts. As a result, renewable energy producers (EDPR, Neoen, ERG, Solaria) continued to suffer from high rates and from the sharp drop of electricity prices in Europe and have retreated to their pre-Ukraine war levels after posting deeply negative absolute returns since the beginning of the year. However, the other themes proved more favourable to the fund, including electrification (Schneider Electric, Prysmian, Nexans) and positive surprises within the construction industry, where expectations were rather low (Rockwool, Kingspan). Within the solar industry, Nextacker ranked among top contributors to performance, boosted by a strong order momentum for solar trackers in the US renewables market and from gaining market share over its main competitor.



## Fund Information

### Inception date

31/08/2015

### ISIN codes

Share I - LU1183791281

Share R - LU1183791794

### Bloomberg tickers

Share I - SYCECOI LX

Share R - SYCECOR LX

### Benchmark

MSCI Europe Net Return

### Legal form

SICAV compartiment

### Domiciliation

Luxembourg

### PEA eligibility

Yes

### Investment period

5 yrs

### Minimum investment

None

### UCITS V

Yes

### Valuation

Daily

### Currency

EUR

### Cut-Off

11am CET Paris (BPSS LUX)

### Cash Settlement

D+2

### Management fees

Share I - 1.00%

Share R - 2.00%

### Performance fees

15% > Benchmark

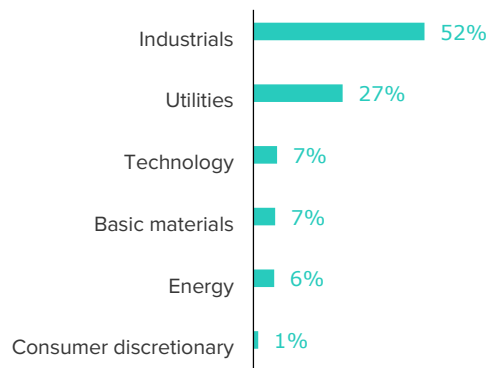
### Transaction fees

None

## Portfolio

Equity exposure	99%
Overlap with benchmark	5%
Number of holdings	49
Weight of top 20 stocks	63%
Median market cap	9.2 €bn

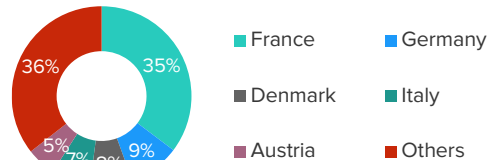
## Sector exposure



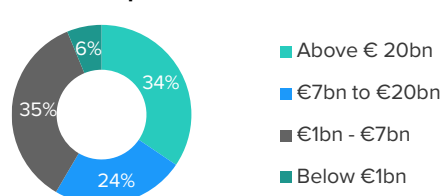
## Valuation

	Fund	Index
Ratio P/E 2024	15.8x	13.5x
Croissance bénéficiaire 2024	7.3%	6.3%
Ratio P/BV 2024	1.9x	1.9x
Return on Equity	11.8%	13.9%
Rendement 2024	2.5%	3.5%

## 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	3.1/5
P score	3.7/5	3.4/5
I score	3.8/5	3.7/5
C score	3.8/5	3.4/5
E score	4.1/5	3.1/5

## Top 10

	Weight	SPICE rating	NEC
Schneider E.	5.7%	4.2/5	+13%
Veolia	5.3%	3.7/5	+52%
Saint Gobain	3.9%	3.9/5	+16%
Infineon	3.6%	3.8/5	+14%
Vestas Wind Sys.	3.6%	4.0/5	+100%
STMicroelec.	3.5%	3.8/5	+11%
Prysmian	3.4%	3.8/5	+28%
Arcadis	3.3%	3.7/5	+20%
ERG	3.1%	4.0/5	+93%
Legrand	3.1%	4.3/5	+16%

## Performance contributors

	Avg. weight	Contrib
<b>Positive</b>		
Schneider E.	5.3%	0.66%
Nextracker	2.0%	0.53%
Rockwool	2.3%	0.37%
<b>Negative</b>		
EDP Renovaveis	2.8%	-0.47%
Neoen	1.8%	-0.37%
Acciona	1.7%	-0.30%

## Portfolio changes

### Buy

E.On

### Reinforcement

Smurfit  
Orsted  
Kingspan

### Sell

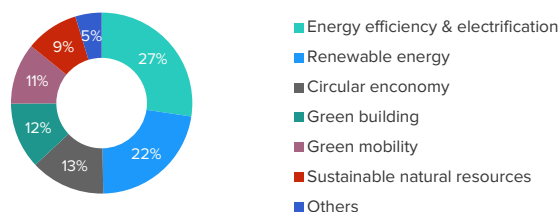
Steico  
Sif

### Reduction

Solaria  
Schneider E.  
Sca



## Environmental thematic



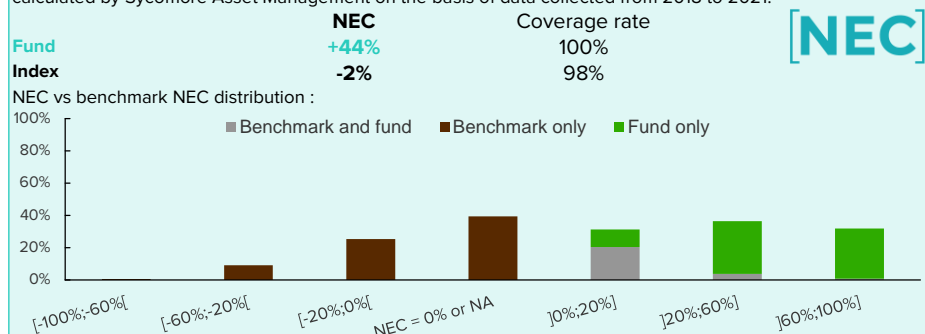
## ESG scores

	Fund	Index
<b>ESG*</b>	<b>3.8/5</b>	<b>3.3/5</b>
Environment	4.1/5	3.1/5
Social	3.6/5	3.3/5
Governance	3.7/5	3.5/5

## Environmental analysis

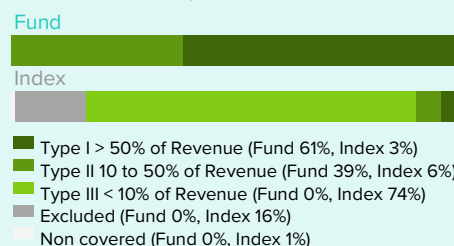
### Net Environmental Contribution (NEC)\*\*

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.



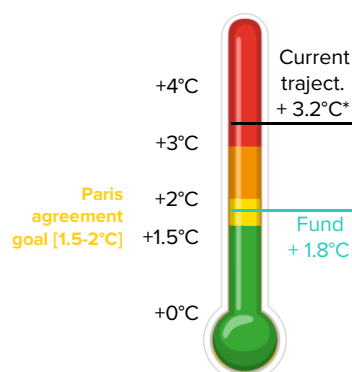
### Greenfin Breakdown\*\*

Companies breakdown according to their revenue generated by eco and excluded activities defined by [the Greenfin label](https://www.greenfinlabel.com)



### Temperature rising - SB2A

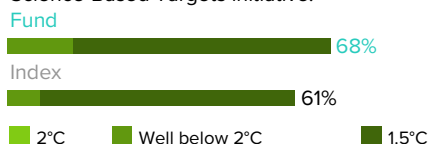
Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.  
Coverage rate : fund 79%



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

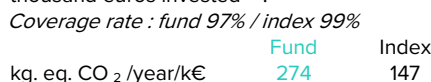
### Climate alignment - SBTi

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



### Carbon footprint

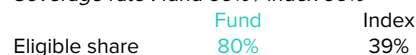
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested\*\*\*.



### European taxonomy

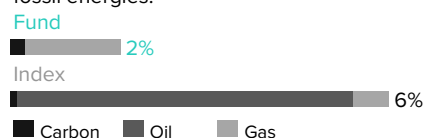
Percentage of revenues derived from eligible activities to the EU taxonomy

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.

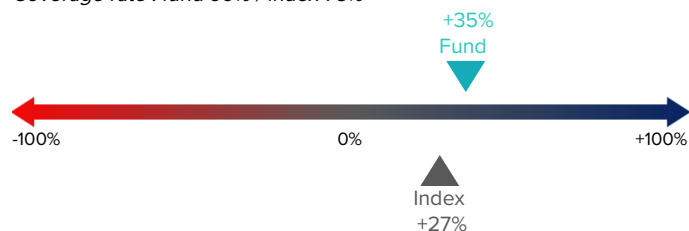


## Societal and social analysis

### 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 78%



### Staff growth

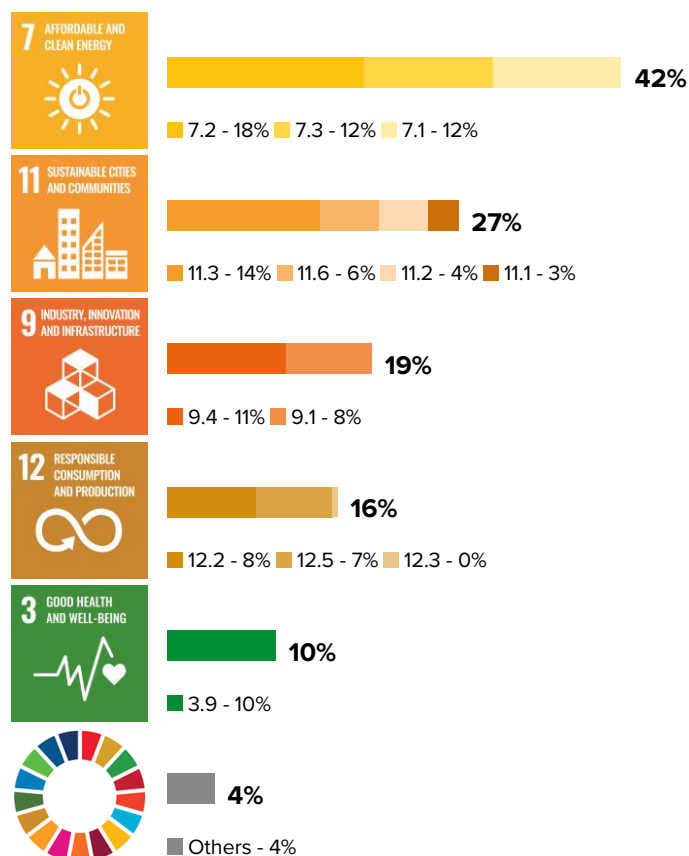
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).

Coverage rate : fund 97% / index 98%





## 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 : 10%**

Note: while SDG # 13 does not feature explicitly in this classification, this SDG remains one of the key objectives of our investment strategy and a factor that is systematically integrated and assessed, both at stock picking level and in our measurement of impacts. Nevertheless, based on the wording chosen by the UN, SDG # 13 cannot apply to a corporate company.

## ESG follow-up, news and dialogue

### Dialogue and engagement

#### Neoen

We continued to engage with Neoen on issues of forced and child labour within the company's value chain and suggested the publication of a risk mapping consistent with the recommendations of Human Resources without Borders, focusing initially on the solar and storage businesses.

#### STMicroelectronics

We discussed the company's reorganisation announced in January 2024. This is an important step as it affects reporting lines but will have no impact on most of the employees. The teams will be organised differently, but the company will not be restructured. Multiple consultations were set up after the announcement, notably via team managers, HR, unions, and town halls meetings open to all employees.

### 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](http://www.sycomore-am.com).