



sycomore
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sycomore

europa éco solutions

DECEMBER 2024

Share R

Isin code | LU1183791794

NAV | 142.0€

Assets | 347.1 M€

SFDR 9

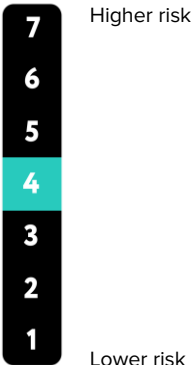
Sustainable Investments

% AUM: ≥ 80%

% Companies*: 100%

*Excluding derivatives, cash & equivalent

Risk indicator



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

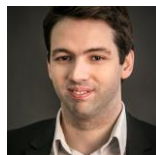
Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

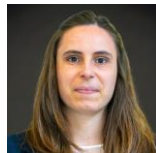
Investment Team



Anne-Claire ABADIE
Fund Manager



Thibault RENOUX
Fund Manager



Clémence BOURCET
Biodiversity SRI Analyst



France



France



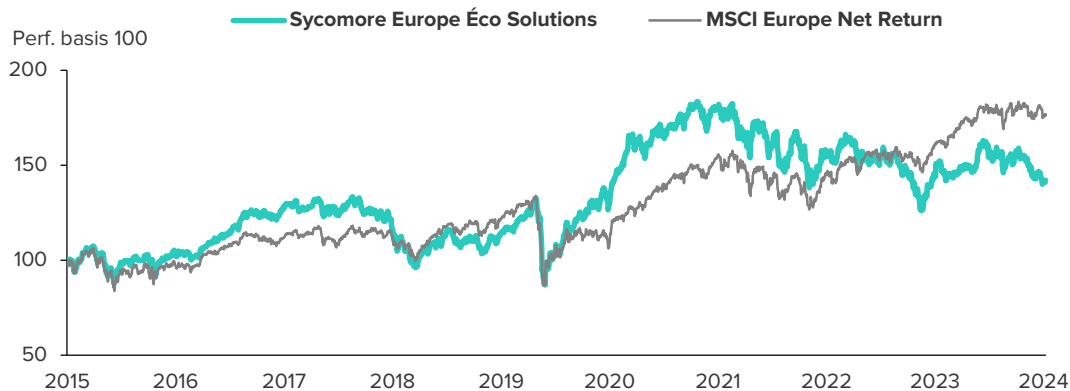
Belgium

Investment strategy

A European selection of companies supporting the environmental transition

Sycomore 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 31.12.2024



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

	Dec 2024	2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020	
Fund %	-1.8	-6.7	-6.7	-21.9	16.3	42.0	3.8	0.5	-16.7	16.3	28.0
Index %	-0.5	8.6	8.6	13.8	37.7	76.9	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	1.1	-12.4%	16.9%	13.9%	8.5%	-0.6	-1.4	-31.2%	-19.5%
Inception	0.9	0.9	-1.6%	16.5%	16.0%	8.0%	0.2	-0.3	-34.8%	-35.3%

Fund commentary

Despite the Fed and the ECB cutting their rates by a further 25 basis points, Jerome Powell's more prudent stance for 2025 weighed on stocks particularly sensitive to interest rates. Consequently, ERG, EDP Renovaveis, Verbund, Elia and Acciona continued to suffer and ranked among top detractors, not only in December, but also for the calendar year. In contrast, other stocks delivered positive performances, including Aurubis (better than expected Q4 as maintenance on the Hamburg refinery plant finally had little impact, and resilient copper, gold, silver and sulfuric acid prices), Befesa (rebound seemingly prompted by management stock purchases and excessive sell-off in 2024 considering the brighter outlook in terms of energy prices, lower processing costs and an improved pricing environment for zinc), and Renault (outperformed the market with the launch of new vehicles and expected merger between Honda and Nissan).



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

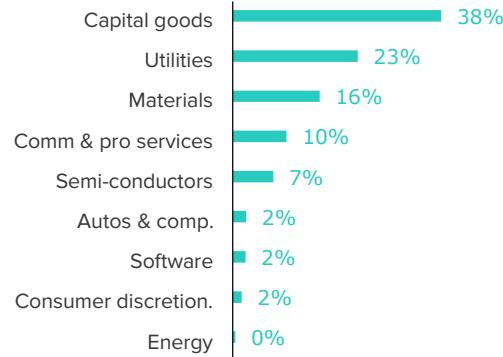
Transaction fees

None

Portfolio

Equity exposure	98%
Overlap with benchmark	8%
Number of holdings	45
Weight of top 20 stocks	65%
Median market cap	12.8 €bn

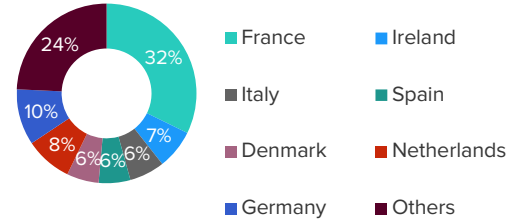
Sector exposure



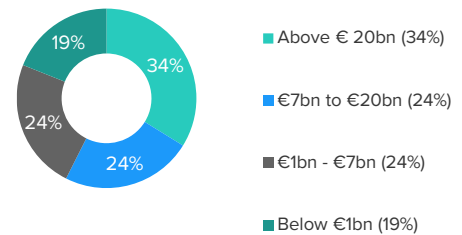
Valuation

2024 P/E ratio	15.8x	13.7x
2024 EPS growth	0.9%	4.2%
2024 P/BV ratio	1.9x	2.0x
Return on Equity	11.8%	14.4%
2024 Dividend Yield	2.5%	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	3.4/5
S score	3.6/5	3.2/5
P score	3.7/5	3.6/5
I score	3.8/5	3.6/5
C score	3.8/5	3.3/5
E score	4.0/5	3.2/5

Top 10

	Weight	SPICE rating	NEC
Schneider	5.3%	4.2/5	+13%
Veolia	4.8%	3.9/5	+47%
Prysmian	4.3%	3.8/5	+31%
Eon	4.1%	3.2/5	+25%
Smurfit westrock plc	4.1%	3.8/5	+79%
Saint gobain	3.9%	3.9/5	+10%
Arcadis	3.8%	3.8/5	+20%
Neoen	3.5%	4.0/5	+81%
Nexans	3.0%	4.0/5	+12%
Novonosis	3.0%	4.0/5	+10%

Performance contributors

	Avg. weight	Contrib
Positive		
Renault	2.2%	0.31%
Munters	1.7%	0.12%
Upm-kymmene	1.9%	0.12%
Negative		
Elia	2.2%	-0.39%
Eon	4.2%	-0.34%
Arcadis	3.8%	-0.22%

Portfolio changes

Buy

Reinforcement

ASML Holding NV

Sell

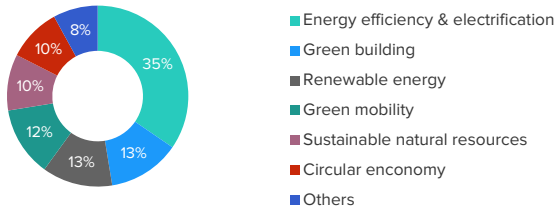
Energiekontor AG

Reduction

Renewi PLC
Veolia Environnement SA
Schneider Electric SE



Environmental thematics



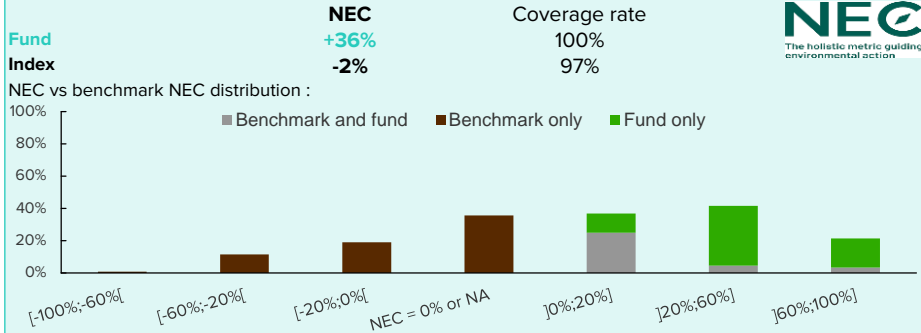
ESG scores

	Fund	Index
ESG*	3.7/5	3.3/5
Environment	4.0/5	3.2/5
Social	3.7/5	3.6/5
Governance	3.7/5	3.6/5

Environmental analysis

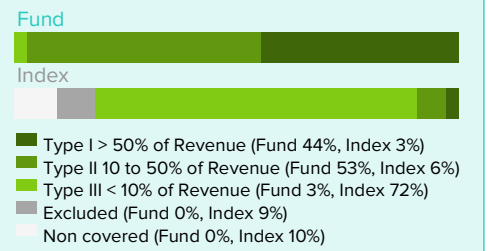
Net Environmental Contribution (NEC)**

Degree of alignment of economic activities with the ecological transition, integrating biodiversity, climate and resources, on a standard scale from -100% for total misalignment to +100% for complete alignment, where 0% corresponds to the world economy average. The results are calculated by Sycomore AM or by the nec-initiative.org based on data for the years 2022 to 2024 according to NEC 1.0 or 1.1.



Greenfin Breakdown**

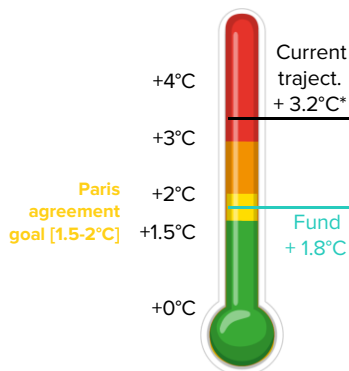
Companies breakdown according to their green revenues' content and to excluded activities as defined by the Greenfin certification and as estimated by Sycomore AM or audited by Novethic [label Greenfin](https://www.novethic.com), estimated by Sycomore AM or audited by Novethic.



Incuted temperature rise

In °C by 2100 compared to the pre-industrial era according to the Science-Based 2°C Alignment, SB2A methodology (source Iceberg Data Lab).

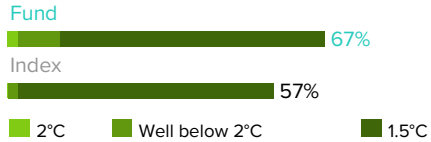
Coverage rate : fund 95%



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

Climate alignment - SBTi

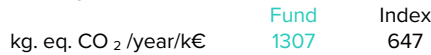
Share of companies that have validated their greenhouse gas reduction targets with the Science-Based Targets initiative.



Carbon footprint

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

Coverage rate : fund 84% / index 51%



European taxonomy

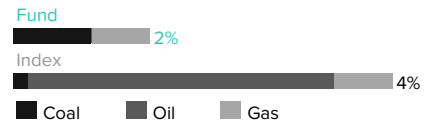
Share of EU taxonomy-eligible company revenues provided by MSCI.

Coverage rate : fund 100% / index 99%



Fossil fuel exposure

Share of revenues from activities linked to fossil fuels from upstream to energy production, supplied by S&P Global.



Biodiversity footprint

Surface maintained artificially in m².MSA per k€ invested***, modeled by the CBF on scopes 1, 2, 3 upstream + downstream (IDL source) and expressed as the average abundance of species.

Coverage rate : fund 85% / index 50%

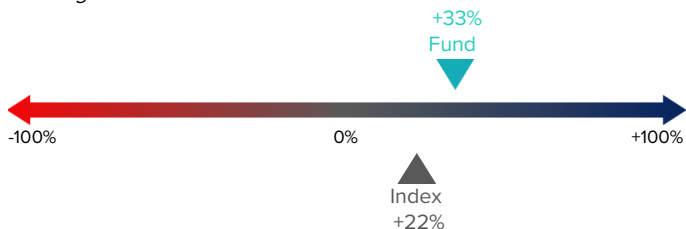


Societal and social analysis

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 96%



Staff growth

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

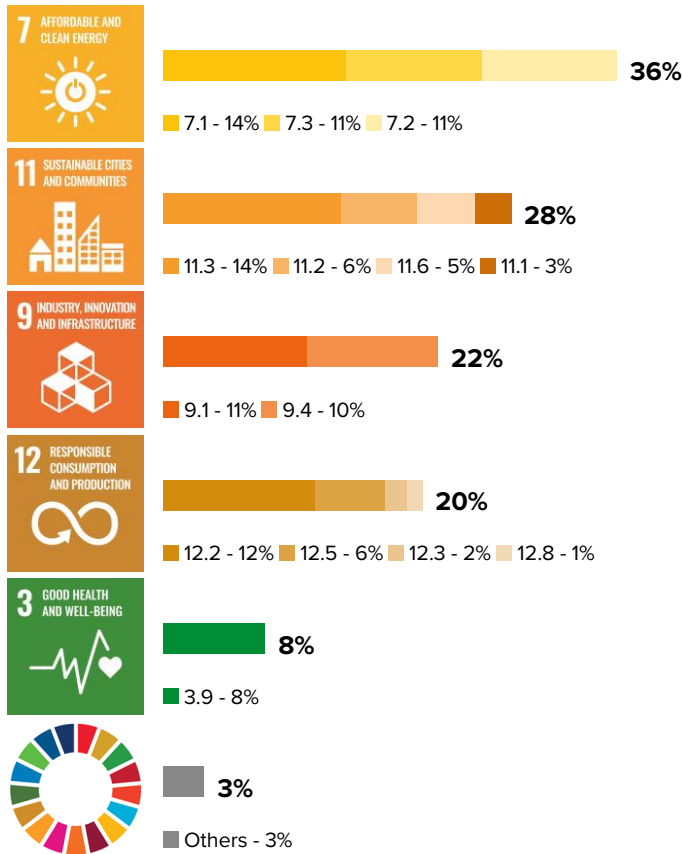
Coverage rate : fund 100% / index 98%



Sources: portfolio companies, Sycomore AM, Bloomberg, Science Based Targets, Iceberg Data Lab, MSCI, Moody's, MSCI and S&P Global. Methodologies differ between issuers and between extra-financial data providers.*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 (MSA= Mean Species Abundance / CBF = Carbon Biodiversity Footprint / IDL = Iceberg Data Lab).



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 : 8%

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

Prysmian

We were contacted by Prysmian for feedback on their double materiality assessment. We made recommendations in the following areas: health and safety indicators, circular economy, measures in place to prevent violent behaviour and harassment at work, as well as materiality, the calculation, reporting and definition of scope 3-related targets.

Spie

We had a discussion on gender diversity with Spie via the 30% Club France. The company has a detailed and multi-pronged approach to source more women, including at a young age. They also have a target of 20% women in their leadership training. We recommended the company to publish additional KPIs on gender diversity : the adjusted and non adjusted gender pay gap, the gender breakdown of employees working part-time, and the score per pillar of the French gender equality index.

ESG controversies

Nexans/Prysmian

The Italian Competition Authority has announced the opening of an antitrust investigation targeting the main manufacturers of copper cables operating in Italy. The investigation was prompted by a leniency application submitted by one of the involved companies. These companies had allegedly coordinated pricing practices, aligning list prices and initial distributor discounts since 2005.

Veolia

Veolia, Suez and Saur are alleged to have reached an agreement to win a tender issued by Siaap. The tender was for an upgrade of the Seine-Aval des Yvelines sewage treatment facility.

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