



sycomore
am

sycomore

europa happy@work

JANUARY 2024

Share R

Isin code | LU1301026388

NAV | 155.2€

Assets | 429.9 M€

SFDR 9

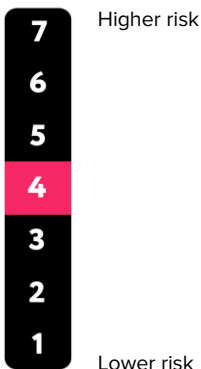
Sustainable Investments

% 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



Cyril CHARLOT
Head of Portfolio Management



Giulia CULOT
Fund Manager



Luca FASAN
Fund Manager



Claire MOUCHOTTE
SRI analyst



France



Belgium



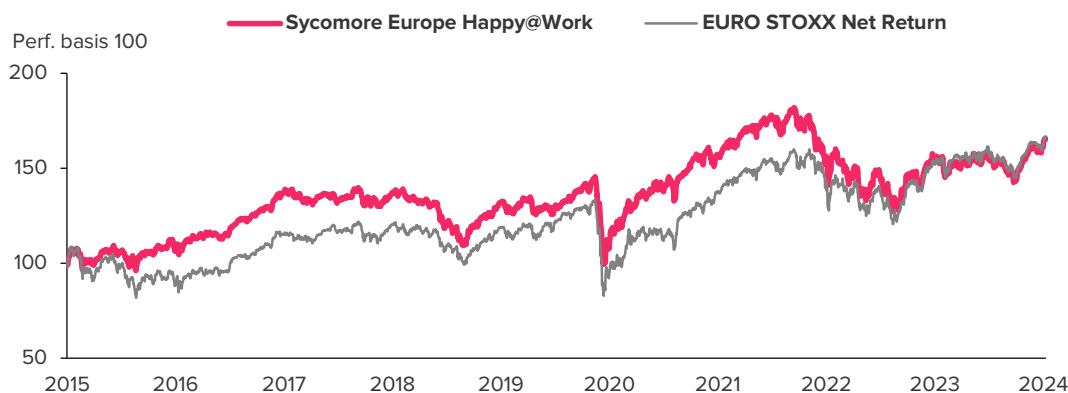
Germany

Investment strategy

A responsible selection of people-driven European companies

Sycomore Europe Happy@Work invests in European companies that pay particular attention to the importance of human capital as a key performance driver. The fund seeks to contribute positively to the human capital issues highlighted in the United Nations' Sustainable Development Goals. Stocks are selected on the basis of rigorous fundamental analysis combined with in-depth ESG research, focusing on a company's ability to promote employee fulfillment and engagement, using a proprietary assessment framework. The analysis draws from the experience and knowledge of field experts, human capital managers and employees. Fund managers also carry out on-site visits. The fund seeks to outperform the Euro Stoxx TR index over 5 years.

Performance as of 31.01.2024



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

	Jan 2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020		
Fund %	2.3	2.3	8.0	8.9	38.3	65.3	6.0	13.9	-19.8	14.3	12.4
Index %	1.9	1.9	10.6	31.8	54.7	66.6	6.1	18.5	-12.3	22.7	0.2

Performance prior to 11/04/2015 was achieved by an identical French fund created on 07/06/2015, which was liquidated in favour of the Luxembourg sub-fund.

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	0.9	0.9	-5.2%	15.6%	16.8%	5.4%	0.1	-1.2	-30.0%	-24.6%
Inception	0.9	0.8	1.2%	15.0%	18.3%	7.3%	0.4	0.0	-31.5%	-37.9%

Fund commentary

Expectations of decreasing interest rate and a good start of the reporting season has helped a positive start of the year for equity markets both in Europe and US. In this environment our strategy has outperformed the relevant benchmark. In terms of asset allocation, our overweight on health care and technology both contributed positively. In term of stock-picking, the strategy benefitted from our exposure to the Semi Equipment sector, ASML reported better than expected bookings confirming that to serve the demand for semiconductor in the next few years more capacity will be required. Other positive contributors where NVIDIA (Semiconductor), SAP (Software) and RELX (Information services).



Fund Information

Inception date

04/11/2015

ISIN codes

Share I - LU1301026206
Share R - LU1301026388

Bloomberg tickers

Share I - SYCHAWI LX
Share R - SYCHAWR LX

Benchmark

EURO STOXX Net Return

Legal form

SICAV compartment

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

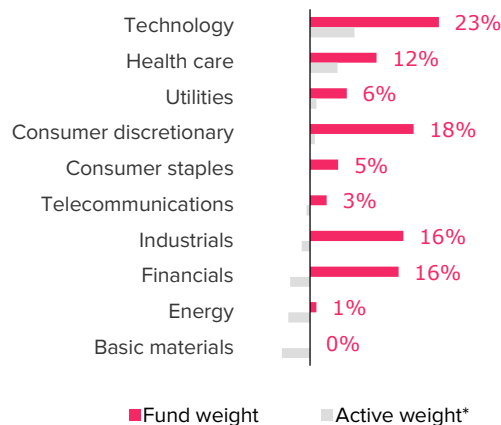
Transaction fees

None

Portfolio

Equity exposure	98%
Overlap with benchmark	26%
Number of holdings	39
Weight of top 20 stocks	71%
Median market cap	69.3 €bn

Sector exposure

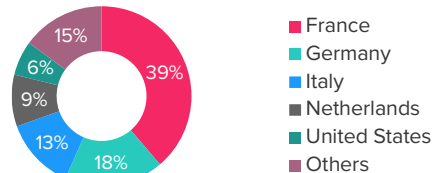


*Fund weight - weight EURO STOXX Net Return

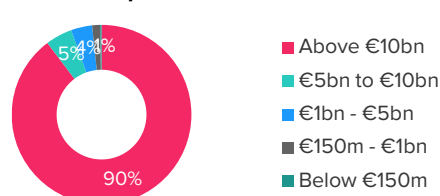
Valuation

	Fund	Index
Ratio P/E 2024	17.7x	12.3x
Croissance bénéficiaire 2024	9.9%	5.7%
Ratio P/BV 2024	3.0x	1.7x
Return on Equity	17.0%	14.0%
Rendement 2024	2.2%	3.0%

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	3.9/5	3.6/5
S score	3.5/5	3.2/5
P score	4.0/5	3.5/5
I score	4.0/5	3.7/5
C score	3.8/5	3.6/5
E score	3.6/5	3.3/5

Top 10

	Weight	SPICE rating	People Score
ASML	9.1%	4.3/5	4.4/5
AXA	5.3%	3.6/5	4.0/5
Schneider E.	4.8%	4.2/5	4.4/5
SAP	4.6%	3.9/5	4.0/5
Munich Re.	4.3%	3.4/5	3.9/5
L'Oreal	4.1%	4.0/5	4.2/5
Prysmian	3.3%	3.8/5	4.2/5
Novo Nordisk	3.3%	3.8/5	4.1/5
BioMérieux	3.1%	3.9/5	4.2/5
Hermès	3.1%	4.3/5	4.5/5

Performance contributors

	Avg. weight	Contrib
Positive		
ASML	7.1%	1.29%
NVIDIA Corporation	1.7%	0.46%
AXA	4.6%	0.27%
Negative		
EDP Renovaveis	2.3%	-0.57%
Puma	1.2%	-0.35%
Christian Dior	1.2%	-0.28%

Portfolio changes

Buy

Moncler

Reinforcement

Hermès
Novartis Ag-Reg
Danone

Sell

Christian Dior
Puma

Reduction

Edp Renov.
Servicenow
Siemens



ESG scores

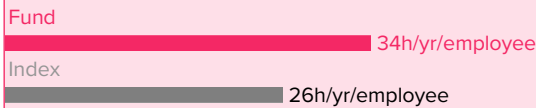
	Fund	Index
ESG*	3.7/5	3.4/5
Environment	3.6/5	3.3/5
Social	3.7/5	3.4/5
Governance	3.8/5	3.5/5

Societal and social analysis

Training number of hours**

Average number of hours of training delivered per employee per year in companies.

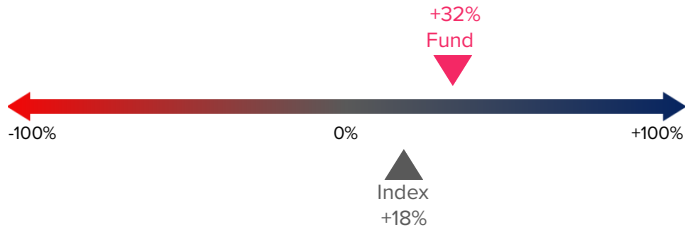
Coverage rate : fund 93% / index 92%



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%

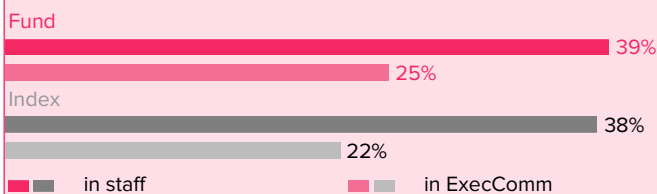


Gender equality ♀/σ***

Percentage of women in total company headcounts and executive committees.

Staff coverage rate : fund 100% / index 99%

Taux de couverture Comex : fund 100% / index 100%

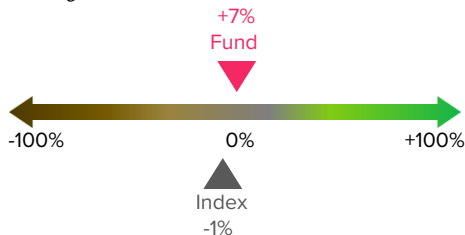


Environmental analysis

Net Environmental Contribution (NEC)

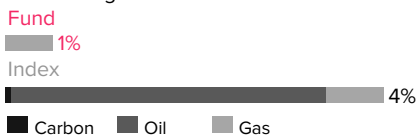
Degree of alignment of the economic models with the ecological transition, integrating biodiversity and climate, on a scale running from -100% for eco-obstruction to +100% for eco-solution, where 0% equates to the average environmental impact of the global economy. The results are expressed in NEC 1.0 (nec-initiative.org) calculated by Sycomore AM based from 2018 to 2021.

Coverage rate : fund 100% / index 99%



Fossil fuel exposure

Percentage of income derived from the three fossil energies.



Carbon footprint

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

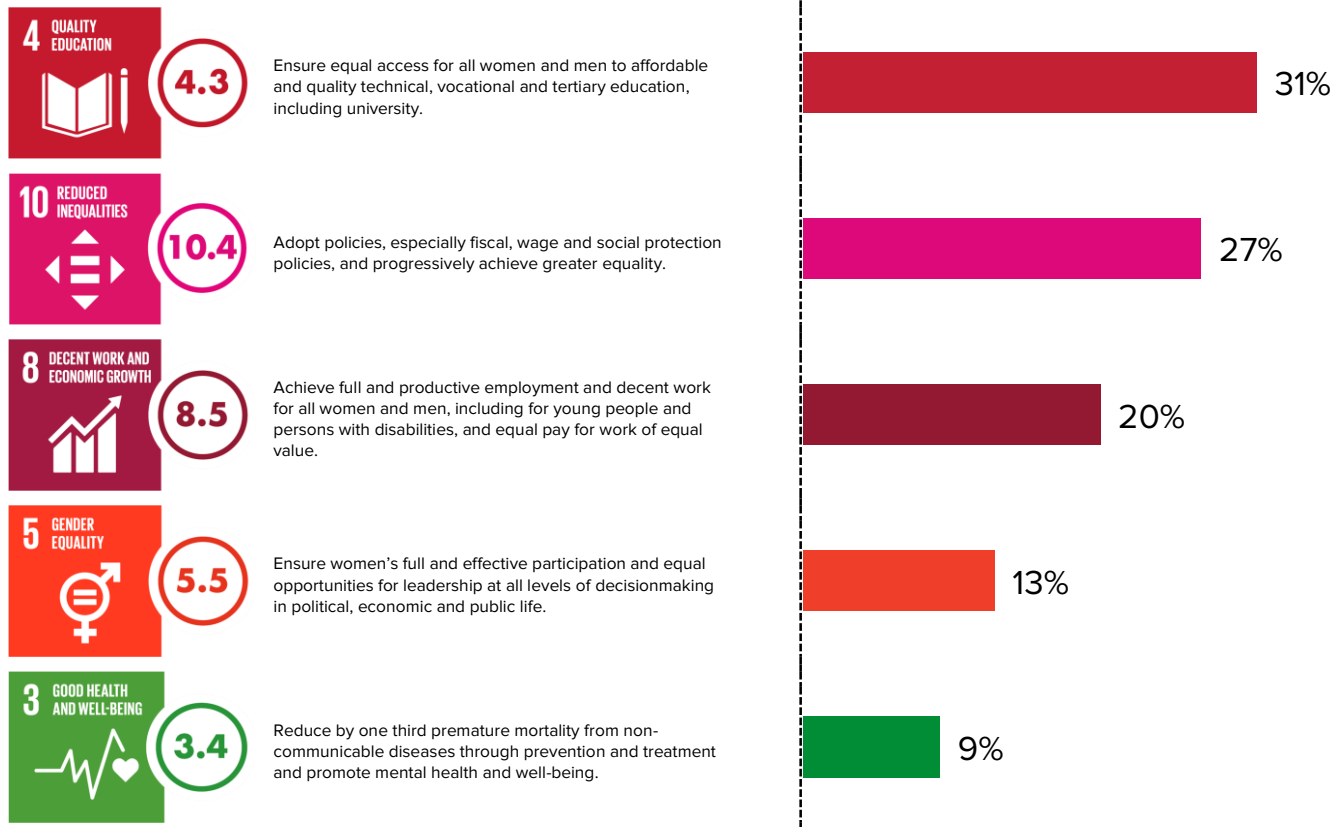
Coverage rate : fund 99% / index 99%

kg. eq. CO ₂ /year/k€	Fund	Index
	115	256

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-SPIICE 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



ESG follow-up, news and dialogue

Dialogue and engagement

STMicroelectronics

We asked STMicroelectronics to provide more transparent information on weightings, trigger points, targets and achievements on its criteria relating to short and long-term executive remuneration. We notably encouraged the company to assemble information on the annual ESG criteria achievement ratios within the proxy.

SAP

We discussed the restructuring plan announced on January 24th by the company. Out of the 8,000 jobs likely to be affected, SAP expects that two thirds will benefit from internal mobility or reskilling plans. The company's reasoning, based on having "the right skills at the right place", has not been followed so far with sufficiently detailed KPIs on training budgets and productivity, we feel.

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.

SAP

SAP has agreed to pay \$230 million to settle a bribery case that took place in South Africa in 2018. This agreement enables SAP to avoid prosecution on the condition that the group does not commit a similar offence over the next three years. The company had already provisioned over \$170 million for this dispute, cooperated with the authorities, and taken satisfactory remedial measures – including strengthening the teams dedicated to compliance issues.

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.