



sycamore
am

sycamore

europa happy@work

OCTOBER 2024

Share R

Isin code | LU1301026388

NAV | 166.0€

Assets | 437.9 M€

SFDR 9

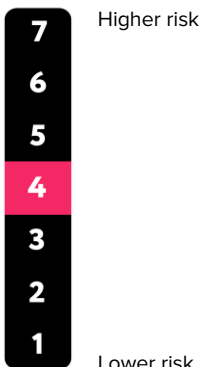
Sustainable Investments

% 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



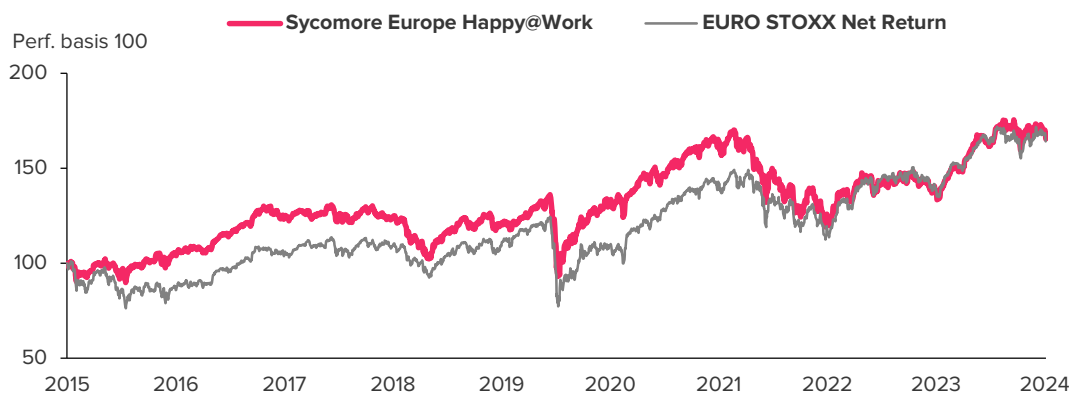
Germany

Investment strategy

A responsible selection of people-driven European companies

Sycamore 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 31.10.2024



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

	Oct 2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020		
Fund %	-3.9	9.4	21.8	-0.3	36.3	65.4	5.6	13.9	-19.8	14.3	12.4
Index %	-3.2	7.8	20.2	13.8	43.4	64.2	5.5	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	-3.9%	15.7%	16.7%	5.5%	-0.1	-0.8	-30.0%	-24.6%
Inception	0.9	0.8	1.2%	14.7%	17.9%	7.2%	0.3	0.0	-31.5%	-37.9%

Fund commentary

Euro-zone equity markets delivered a negative return in October, impacted by rising government bond yields (a reflection of the increased probability of Republican Red Sweep in the United States), and by a muted start of the reporting season in Europe (notably for some of the heavy-weights such as ASML and LVMH). The fund slightly lagged its benchmark. In fact, the balanced exposure on sectors (which we consider necessary in the context of the increased volatility) while having a concentrated portfolio of convictions allowed for some of our key portfolio holdings such as Deutsche Telekom, RELX, Prysmian and Danone to positively contribute to the fund's performance. On the negative side, in the utilities sector, the exposure to names such as Arverne, EDPR and ERG was detrimental to relative returns. Despite being already, a very limited portion of our assets, we decided to further trim the exposure to space. Other relevant transactions include a reduction in Siemens Healthineers (risk of China, 2025 guidance), Munich Re (deteriorating earnings momentum) and the entry in the portfolio of Air Liquide (Happy@Work leader at 4.5/5).

The labels aim to guide investors in identifying sustainable and responsible investments. The composition of the management team is subject to change without notice. Before investing, first consult the Fund's KID available on our www.sycamore-am.com website.



Fund Information

Inception date

06/07/2015

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

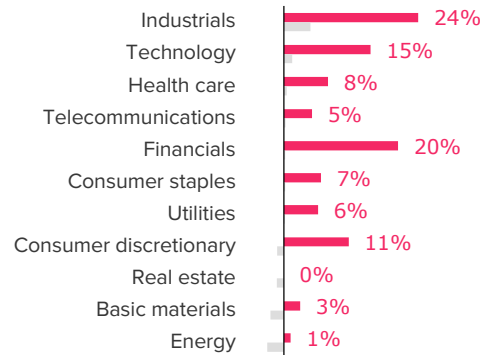
Transaction fees

None

Portfolio

Equity exposure	93%
Overlap with benchmark	29%
Number of holdings	40
Weight of top 20 stocks	74%
Median market cap	76.9 €bn

Sector exposure

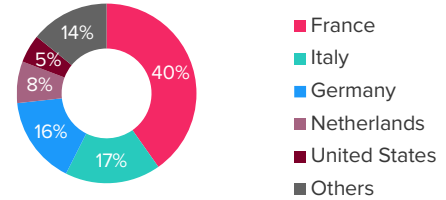


*Fund weight - weight EURO STOXX Net Return

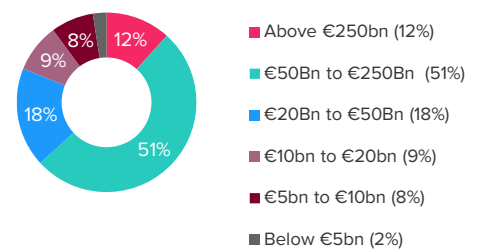
Valuation

2024 P/E ratio	17.9x	13.4x
2024 EPS growth	5.3%	5.0%
2024 P/BV ratio	2.8x	1.8x
Return on Equity	15.6%	13.3%
2024 Dividend Yield	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	3.9/5	3.6/5
S score	3.8/5	3.3/5
P score	4.1/5	3.7/5
I score	3.9/5	3.7/5
C score	3.9/5	3.5/5
E score	3.5/5	3.3/5

Top 10

	Weight	SPICE rating	People Score
ASML	5.2%	4.3/5	4.3/5
Axa	5.1%	3.7/5	4.1/5
Intesa sanpaolo	5.1%	3.7/5	4.4/5
Deutsche telekom	4.6%	3.7/5	3.8/5
Prysmian	4.4%	3.8/5	4.2/5
Schneider	4.3%	4.2/5	4.6/5
Hermès	4.2%	4.3/5	4.7/5
Danone	4.1%	3.9/5	3.9/5
Iberdrola	4.0%	3.9/5	3.9/5
Saint gobain	3.6%	3.9/5	4.1/5

Performance contributors

	Avg. weight	Contrib
Positive		
Deutsche telekom	4.3%	0.22%
Nvidia	1.3%	0.13%
Intesa sanpaolo	4.4%	0.12%
Negative		
ASML	6.7%	-1.17%
Michelin	2.7%	-0.43%
L'Oreal	2.4%	-0.36%

Portfolio changes

Buy	Reinforcement	Sell	Reduction
Air liquide	Siemens		ASML
	Intesa sanpaolo		Siemens healthineers
	Danone		Munich re



ESG scores

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

Societal and social analysis

Training number of hours**

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

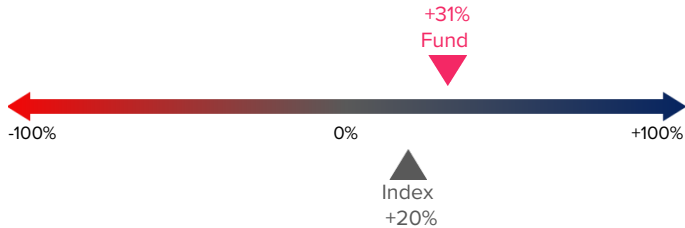
Coverage rate : fund 95% / index 81%



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 99%

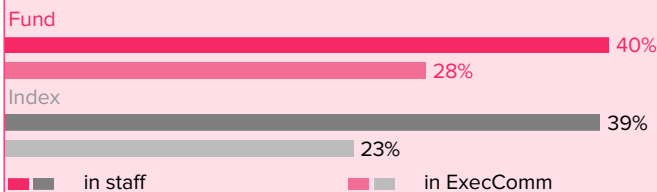


Gender equality ♀/ ♂**

Percentage of women in total company headcounts and executive committees.

Staff coverage rate : fund 97% / index 91%

ExecComm coverage rate : fund 97% / index 96%

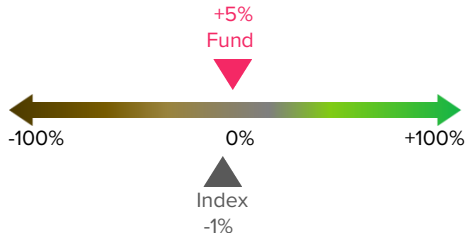


Environmental analysis

Net Environmental Contribution (NEC)

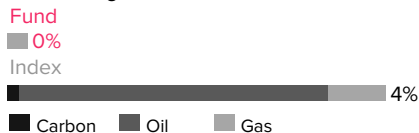
Degré d'alignement des modèles économiques avec la transition écologique, intégrant biodiversité et climat, sur une échelle de -100%, pour éco-obstruction, à +100%, pour éco-solution, où le 0% correspond à l'impact environnemental moyen de l'économie mondiale. Les résultats sont exprimés en scores de NEC 1.0 (nec-initiative.org) calculés par Sycomore AM sur la base de données des années 2018 à 2021.

Coverage rate : fund 100% / index 98%



Fossil fuel exposure

Percentage of income derived from the three fossil energies.



Carbon Oil Gas

Carbon footprint

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

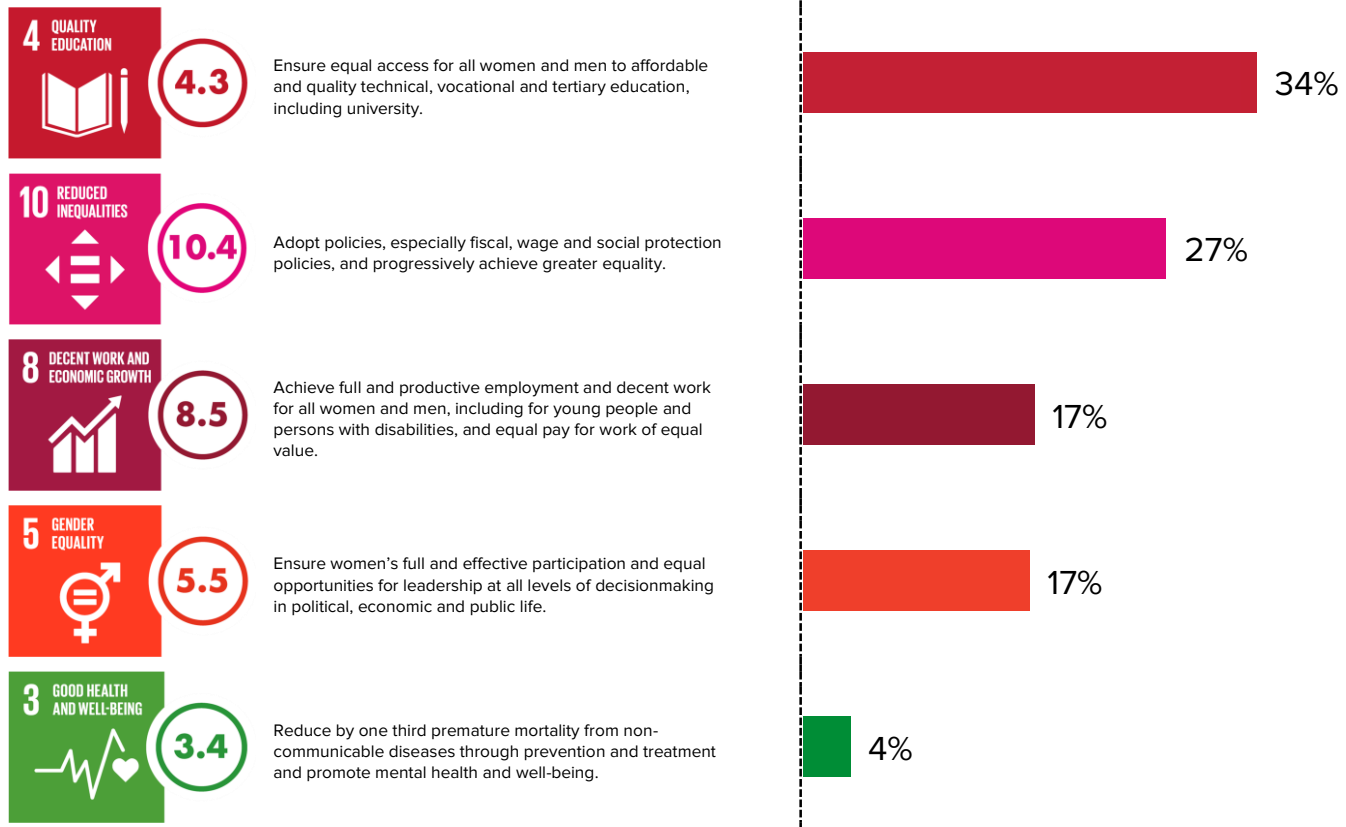
Coverage rate : fund 95% / index 99%

kg. eq. CO ₂ /year/k€	Fund	Index
	139	194

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

Siemens

We had an insightful discussion with Siemens and the 30% Club Germany on gender diversity with their Head of DEI. The company seems to be taking appropriate steps to diversify its workforce durably such as driving accountability and involvement at all levels of the organisation and particularly at the local CEOs level, who are in charge of defining their local targets. We recommended Siemens to publish granular information and context along with its global gender pay gap next year.

ESG controversies

SAP

After the US DOJ opened an enquiry into potential price fixing in public contracts, we made some recommendations to SAP on ethics and compliance-related indicators that could be disclosed. We believe that the company should include a question on whistle-blowing system in its employee survey and disclose more information on the nature and management of cases reported via this channel.

Votes

0 / 0 voted general assembly over the month.

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

SAP

We continue to engage with SAP on the responsible management of its reorganisation, the changes being considered for the HR policy, and the recent departures within top management. We recommend more transparency on employee satisfaction indicators that can be tracked in-house, the implementation of a training policy adapted to the new strategy, and information on possible changes and succession plans at executive committee level.

Microsoft

Australia: Regulatory inquiry launched over child sexual exploitation and abuse content hosted on OneDrive as eSafety puts Google, Meta, Apple on notice over online child sex abuse.

ESG commentary

We had call with Intesa San Paolo to discuss how they manage the reorganisation and their business evolutions (branches closure, new digital offers) from a human capital perspective. The company was reassuring on workforce reduction : they follow a voluntary and pyramid of ages approach. For instance, they target employees with the option to enrol in an Italian bank's social fund covering 70% of their annual contractual remuneration until they are eligible to a legal retirement pension.

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.