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sélection crédit (luxembourg)

JANUARY 2025

Share RC

Isin code | LU1592886094

NAV | 106.4€

Assets | 4.2 M€

SFDR 8

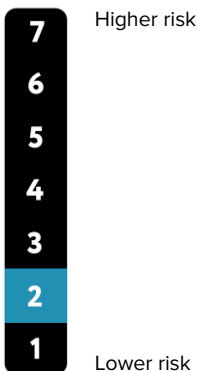
Sustainable Investments

% AUM: $\geq 50\%$

% Companies*: $\geq 50\%$

*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



Stanislas de BAILLIENCOURT
Fund Manager



Emmanuel de SINETY
Fund Manager



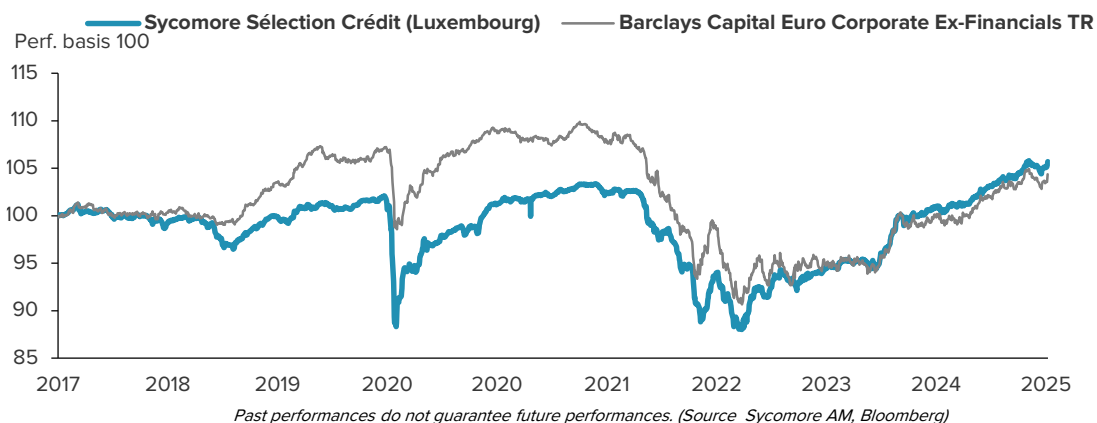
Anaïs CASSAGNES
SRI analyst

Investment strategy

A responsible and opportunistic selection of European bonds based on proprietary ESG analysis

Sycomore Sélection Crédit (Luxembourg) is a feeder of Sycomore Sélection Crédit. Sycomore Sélection Crédit aims to deliver financial returns above those of the Barclays Capital Euro Corporate ex-Financial Bonds (reinvested coupons) over a minimum investment horizon of five years, within a modified duration range of 0 to +5, by applying a socially responsible investment process. The fund also aims to outperform its benchmark on the Net Environmental Contribution (NEC) indicator and on the 3-year headcount variation indicator, to select durable companies, particularly on environmental and/or contribution to employment criteria.

Performance as of 31.01.2025



	Jan	2025	1 year	3 yrs	5 yrs	Inc. Annu.	2024	2023	2022	2021	
Fund %	0.4	0.4	5.4	4.8	4.1	5.7	0.8	5.3	9.4	-10.9	1.2
Index %	0.4	0.4	4.4	-1.7	-2.6	4.4	0.6	4.0	7.9	-13.9	-1.2

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
Inception	0.5	0.5	0.5%	3.4%	3.8%	3.5%	0.0	0.0	-14.8%	-17.5%

Fund commentary

The upward pressure on long-term rates continued into the first half of January. Ten-year yields on US Treasury bonds almost reached 4.80%, before retreating during the second half of the month. Yields on 10-year German bonds followed a similar trend, fuelled by rising inflation forecasts. France's risk premium declined. Spreads narrowed during the month: BBB-rated bonds contracted around 5 bp, while the BB segment shrunk by around 10 bp. The primary market was dynamic with some deals offering an attractive issuance premium. To fund its hybrid bond maturing at the end of the year, La Poste issued a new hybrid tranche over 6 years, rated BB+ and bearing a highly attractive coupon of 5%. Ipsos, now rated Baa3 by Moody's and BBB by Fitch, issued a 5-year bond yielding 3.80%. Elior convinced the market it was recovering and was able to refinance its 2026 debt with a new 2030 bond bearing a coupon of 5.625%, compared with 3.75% for the former.



Fund Information

Inception date

05/12/2012

ISIN codes

Share ID - LU1592885955

Share RC - LU1592886094

Bloomberg tickers

Share ID - SYCSCID LX

Share RC - SYCSCRC LX

Benchmark

Barclays Capital Euro

Corporate Ex-Financials TR

Legal form

SICAV compartiment

Domiciliation

Luxembourg

PEA eligibility

No

Investment period

5 yrs

Minimum investment

None

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

D before 9.45am (BPSS Lux)

Cash Settlement

D+2

Admin and management fees

Share ID - 0.00%

Share RC - 0.60%

Performance fees

None - (Master fund) : 10% > benchmark

Transaction fees

None

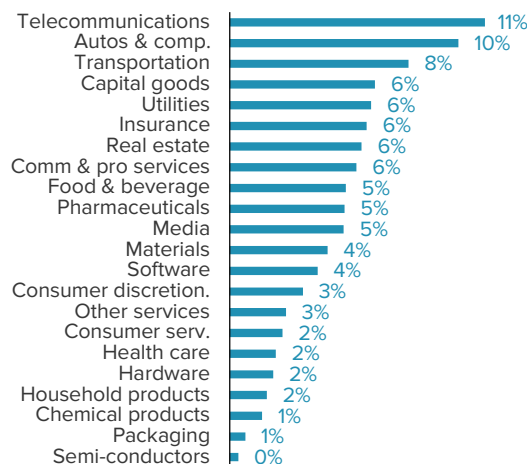
Portfolio

Exposure rate	99%
Number of bonds	220
Number of issuers	152

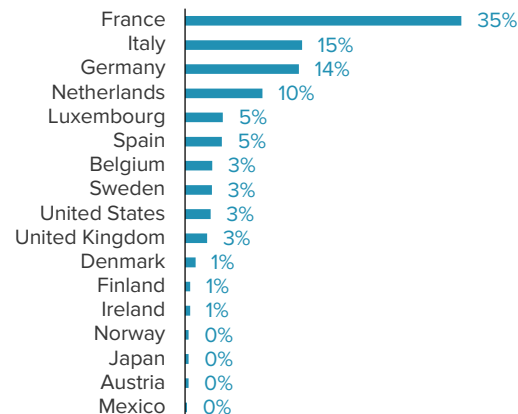
Valuation

Modified Duration	3.8
Yield to maturity	4.5%
Yield to worst	3.9%
Average maturity	3.5years

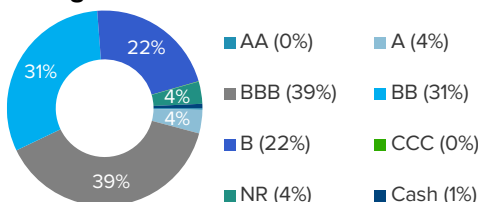
Sector breakdown



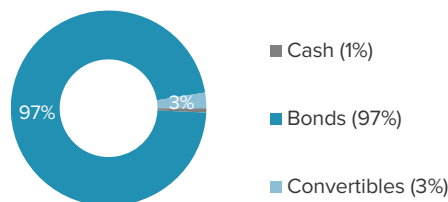
Country breakdown



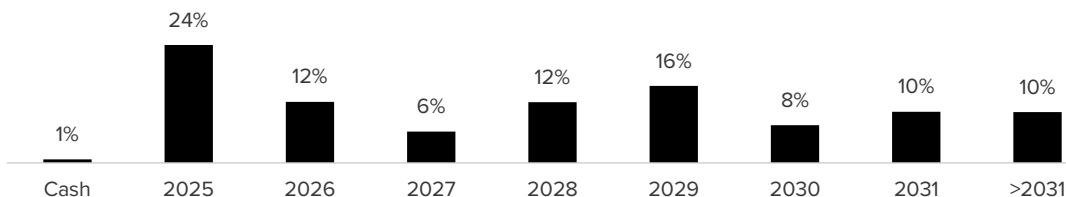
Rating breakdown



Asset class breakdown



Maturity 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.

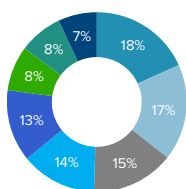
The analysis process covers 90 criteria and leads to a rating per letter. These 5 ratings are weighted based on the company's most material impacts*.

	Fund	Index
SPICE	3.4/5	3.3/5
S score	3.4/5	3.1/5
P score	3.4/5	3.5/5
I score	3.3/5	3.5/5
C score	3.5/5	3.2/5
E score	3.3/5	3.2/5

Main issuers	Weight	Sector	SPICE rating	Sustainable theme
Renault	2.7%	Autos & Comp.	3.5/5	Energy transition
Tdf	2.3%	Telecommunications	3.4/5	Access and Inclusion
Tereos	2.1%	Food & Beverage	3.1/5	Nutrition and well-being
Autostrade Per L Italia	2.0%	Transportation	3.3/5	Access and Inclusion
Infopro	1.9%	Media	3.4/5	Digital and communication



Sustainability thematicas



- Digital and communication
- SPICE transformation
- Access and Inclusion
- Health & Safety
- Energy transition
- Sustainable mgmt of resources
- SPICE Leadership
- Nutrition and well-being

ESG criteria

ESG eligibility (% of eligible bonds) **41%**

ESG scores

	Fund	Index
ESG*	3.3/5	3.2/5
Environment	3.3/5	3.2/5
Social	3.2/5	3.5/5
Governance	3.2/5	3.5/5

ESG best scores

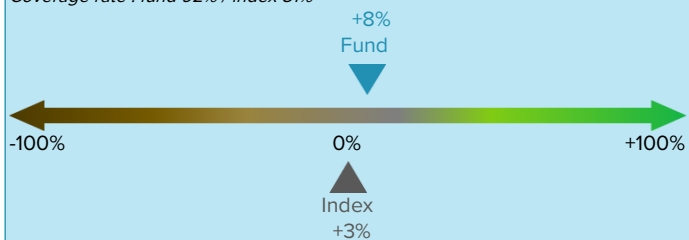
	ESG	E	S	G
Veolia	3.9/5	4.1/5	4.0/5	3.7/5
Iberdrola	4.0/5	4.2/5	3.9/5	4.0/5
Erg	4.3/5	4.8/5	4.1/5	4.1/5
Wabtec	3.9/5	4.5/5	3.3/5	3.7/5
Neoen	4.0/5	4.5/5	3.7/5	3.9/5

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.

Coverage rate : fund 92% / index 81%



European taxonomy

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

Coverage rate : fund 62% / index 91%

Fund



Fossil fuel exposure

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

Fund



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 48% / index 86%

	Fund	Index
kg. eq. CO ₂ /year/k€	819	887

Societal and social analysis

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 79% / index 90%

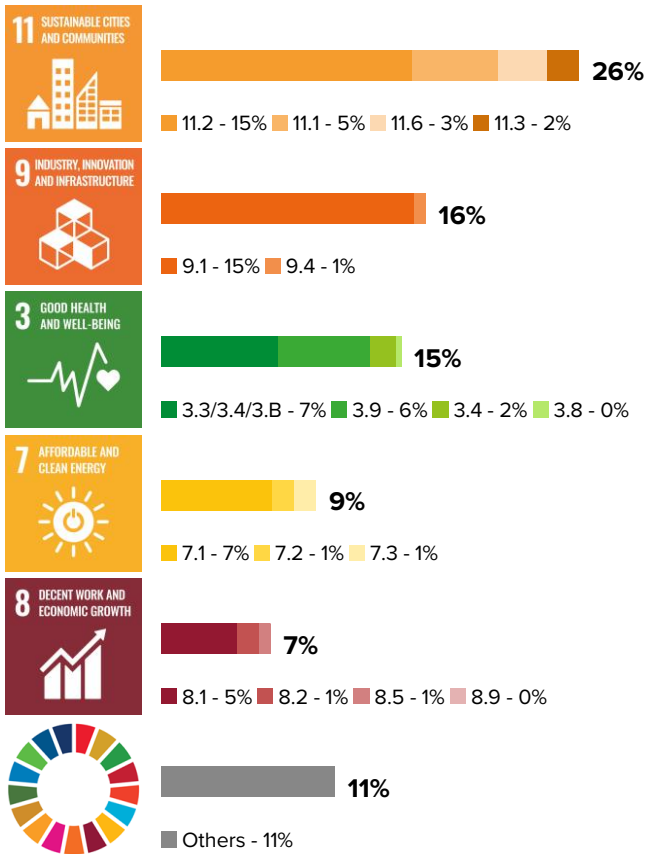
Fund



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.



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 : 28%

ESG follow-up, news and dialogue

Dialogue and engagement

Banijay

We engaged Banijay on the implementation of a policy that would limit the adverse effects of gaming on the mental health of its audience. We also requested more detailed information on the means available for the development of an ESG policy applicable to manufacturing sites. A "Head of ESG" was hired to handle these aspects.

Quadiant

Quadiant gave us reassuring news on the company's new procedure for changing its statutory auditors. The latter will change at the next AGM and invitations to tender will be issued every 6 years. We also received more details on the role of Daniel Kretinsky, who does not wish to be represented on the board. We had confirmation that the carbon emission reduction targets are included in the CEO's compensation package.

ESG controversies

Crédit Agricole

Media companies Disclose, France 24, and RFI are investigating the environmental and social impacts of Repsol's activities in Latin America as well as the backing provided by Amundi, the Credit Agricole group's investment subsidiary.

Stellantis

Jeep (subsidiary of Stellantis) and 14 car dealers had to pay damages worth €60,000 for showing ads for SUVs in protected landscapes.

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.