



sycomore
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sycomore

sélection crédit (luxembourg)

MARCH 2024

Share ID

Isin code | LU1592885955

NAV | 109.9€

Assets | 3.9 M€

SFDR 8

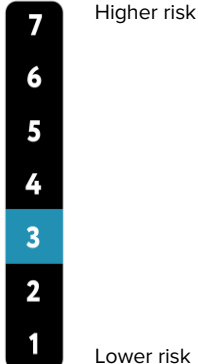
Sustainable Investments

% AUM: ≥ 50%

% Companies*: ≥ 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



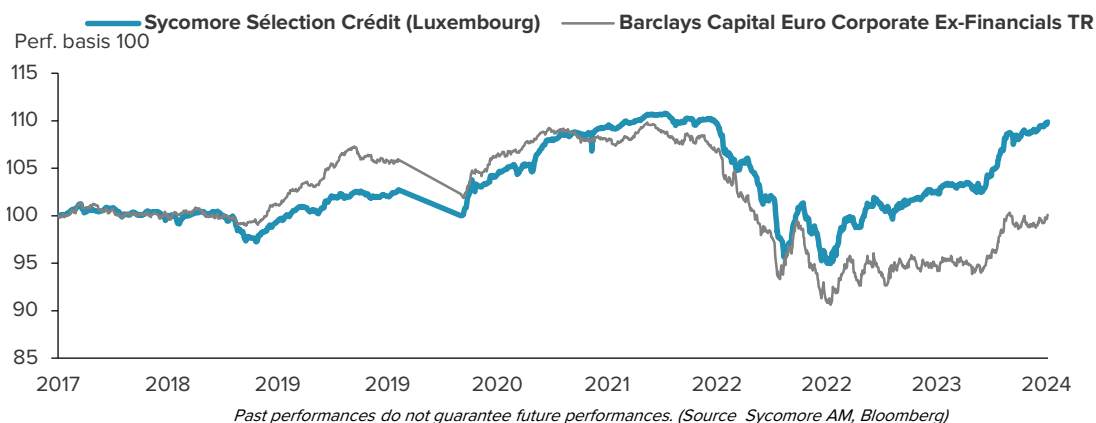
Tony LEBON
Credit analyst

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 28.03.2024



	Mar	2024	1 year	3 yrs	5 yrs	Inc. Annu.	2023	2022	2021	2020	
Fund %	0.9	1.1	8.7	0.9	9.6	9.9	1.4	10.0	-10.4	1.9	5.3
Index %	1.2	0.1	5.9	-7.3	-2.5	0.1	0.0	7.9	-13.9	-1.2	2.8

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
Inception	0.5	0.4	1.6%	3.1%	4.0%	3.5%	0.4	0.4	-14.3%	-17.5%

Fund commentary

Economic activity data was resilient in March, while inflation readings in the US paused in their retreat. In Europe, the ECB has revised its inflation forecasts downward for the Eurozone in 2024. In this environment, yields in the Eurozone dropped by 15 to 20 bp over 5 and 10-years. The primary market was busy in March and offered many investment opportunities. We took part in the issuances by Forvia 2029 and 2031, Fnac 2029, Neopharmed 2029, Nexans 2030, and in the hybrid bonds issued by Orange and Arkema. We considered the terms to be attractive as they offered a premium over the yields on the current bonds. While several issuers came under pressure, including Altice, Atos and Grifols (which are not held in the fund), the remainder of the market remained constructive, with a slight drop in credit spreads.



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

Management fees

Share ID - 0.60%

Share RC - 1.20%

Performance fees

None - (Master fund) : 10% > benchmark

Transaction fees

None

Portfolio

Exposure rate

99%

Number of bonds

217

Number of issuers

140

Valuation

Modified Duration

3.4

Yield to maturity

5.0%

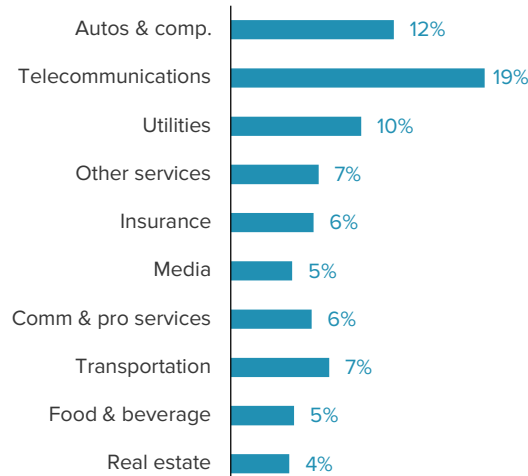
Yield to worst

4.5%

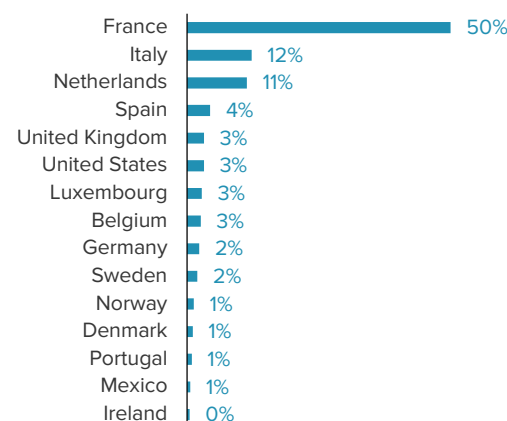
Average maturity

3.6years

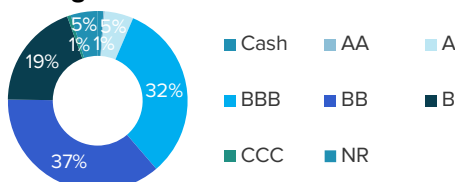
Sector breakdown



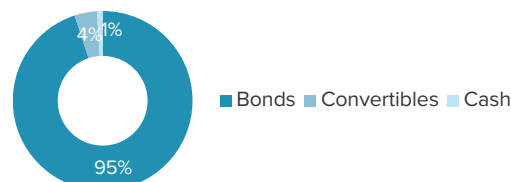
Country breakdown



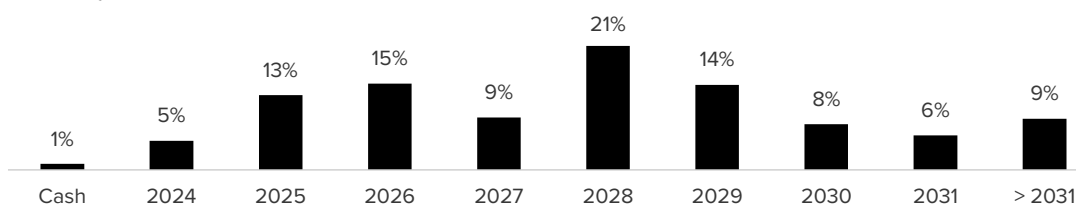
Rating breakdown



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.

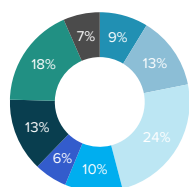
The analysis process covers 90 criteria and leads to a rating per letter. These 5 ratings are weighted based on the company's most material impacts*.

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

Main issuers	Weight	Sector	SPICE rating	Sustainable theme
Renault	4.0%	Autos & Comp.	3.4/5	SPICE transformation
Orange	2.6%	Telecommunications	3.2/5	Digital and communication
Loxam	2.3%	Comm & pro services	3.6/5	SPICE Leadership
Accor	2.2%	Consumer Serv.	3.5/5	SPICE transformation
Forvia	2.2%	Autos & Comp.	3.5/5	SPICE Leadership



Sustainability thematic



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

ESG criteria

ESG eligibility (% of eligible bonds) **36%**

ESG scores

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

ESG best scores

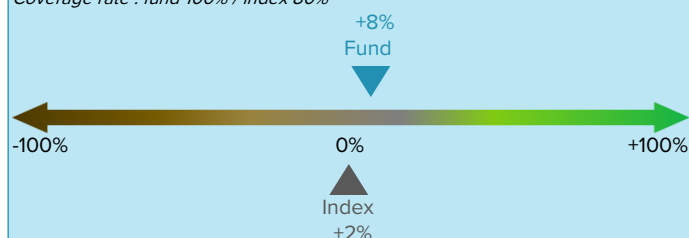
	ESG	E	S	G
Orsted	4.1/5	4.7/5	4.0/5	3.7/5
Neoen	4.1/5	4.4/5	3.6/5	4.2/5
Nexans	4.0/5	4.1/5	3.8/5	4.2/5
Lenzing	3.9/5	4.4/5	3.6/5	4.2/5
Iberdrola	3.9/5	4.2/5	3.6/5	3.9/5

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) calculated by Sycomore AM based from 2018 to 2021.

Coverage rate : fund 100% / index 80%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

Coverage rate : fund 70% / index 90%

Fund



Index

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

Fund



Index



■ 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 55% / index 88%

kg. eq. CO₂ / year/k€

Fund
280

Index
237

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 88% / index 91%

Fund

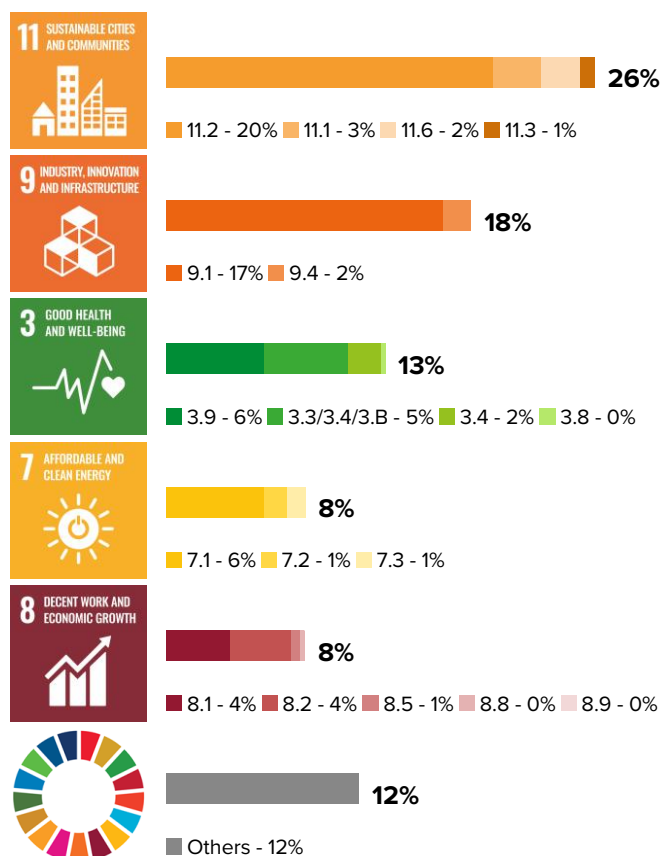


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Sustainable development goals exposure



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 : 27%

ESG follow-up, news and dialogue

Dialogue and engagement

Nexans

We met the Board of Directors ahead of the AGM and made several recommendations. These include: to submit a Say on Climate to the shareholders' vote; to expand on how the 30% recycled copper target for 2030 will be achieved; to set a new gender diversity target above the 25% goal already achieved and ensure that gender diversity applies to all levels within the company hierarchy. Nexans is working on these points for its next ESG roadmap.

ESG controversies

Biogroup / Cerba / Synlab

Mid-March, the French antitrust authorities raided companies suspected of anti-competitive business practices within the medical biology industry. The authority has provided no details on the number of companies concerned, their identity, or the practices involved.

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.