



sycomore
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sycomore social impact

NOVEMBER 2022

Share R

Isin code | FR0010117093

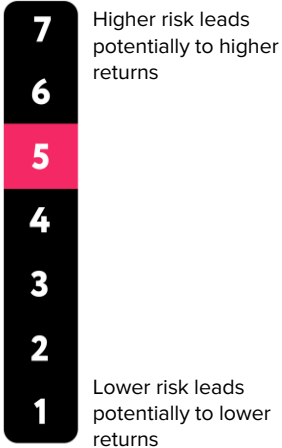
NAV | 353.6€

Assets | 274.7 M€

European Sustainable Classification



SRRI



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

Investment Team



Frédéric PONCHON
Fund Manager



Sara CARVALHO DE OLIVEIRA
Fund Manager - SRI analyst



France



Belgium



Austria



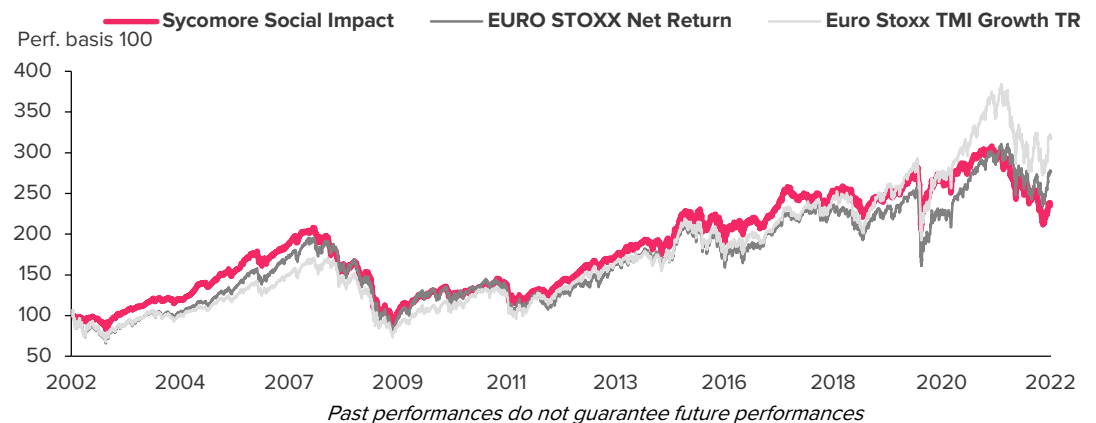
Germany

Investment strategy

A selection of growth securities with a positive societal impact

Sycomore Social Impact is a Eurozone equity fund that focuses on companies of any size that offer solutions to global societal challenges, and that have embedded this pursuit of positive impacts into their strategy to deliver profitable and sustainable growth. The fund aims to outperform the benchmark, the Euro Stoxx Total Return index, through a socially responsible investment process. Stock selection is based on our proprietary SPICE methodology, notably on the societal contribution of products & services indicator.

Performance as of 30.11.2022



	Nov	2022	1 year	3 yrs	5 yrs	Inc. Annu.	2021	2020	2019	2018
Fund %	3.7	-19.3	-16.4	-11.6	-2.9	135.7	4.3	4.3	19.7	-8.2
Index %	8.1	-9.2	-4.7	13.1	21.8	177.4	5.1	22.7	0.2	26.1

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	0.9	0.6	-7.0%	15.8%	22.9%	10.5%	-0.2	-0.8	-31.5%	-37.9%
Inception	0.9	0.6	1.0%	13.4%	21.2%	11.0%	0.3	-0.1	-56.4%	-60.2%

Fund commentary

Markets continued to rally in November, lifted by resilient corporate earnings and hopes that the Fed may slow the pace of its interest rate hikes. In this newly "risk-on" environment, the fund suffered from its overexposure to healthcare, which benefited less than other sectors from the market rally. Rovi, the Spanish pharmaceuticals player, featured among leading negative contributors due to the slowdown of Covid vaccines and delays in the approval of two of its most promising treatments by the FDA. We feel the market over-reacted to this news and chose to strengthen our position. In contrast, Alstom rebounded sharply on the back of reassuring reports on cashflow generation and the impacts of inflation. Small and mid-caps, notably within the tech sector – such as Esker, Believe, Cancom, Compugroup or Tinexta, benefited from investors swith to a more "risk-on" positioning.



Fund Information

Inception date

24/06/2002

ISIN codes

Share A - FR0007073119
Share I - FR0010117085
Share ID - FR0012758704
Share R - FR0010117093

Bloomberg tickers

Share A - SYSYCTE FP
Share I - SYCMTWI FP
Share ID - SYSMTWD FP
Share R - SYSMTWR FP

Benchmark

EURO STOXX Net Return

Legal form

Mutual fund

Domiciliation

France

PEA eligibility

Yes

Investment period

5 yrs

Minimum investment

None

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

12pm CET Paris (BPSS)

Cash Settlement

T+2

Management fees

Share A - 1.50%
Share I - 1.00%
Share ID - 1.00%
Share R - 2.00%

Performance fees

15% > Benchmark

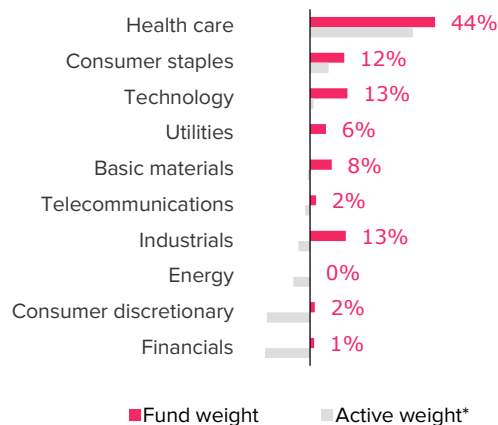
Transaction fees

None

Portfolio

Equity exposure	91%
Overlap with benchmark	16%
Number of holdings	59
Weight of top 20 stocks	61%
Median market cap	16.9 €bn

Sector exposure

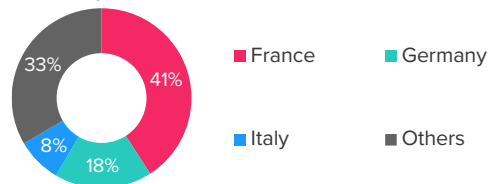


*Fund weight - weight EURO STOXX Net Return

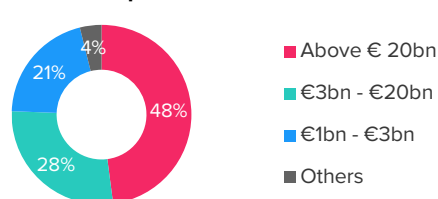
Valuation

	Fund	Index
2022 PER	16.3x	12.0x
2022 EPS growth	9.5%	14.5%
2022 P/BV ratio	1.8x	1.5x
Return on Equity	11.1%	12.7%
2022 Dividend Yield	2.3%	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	3.7/5	3.5/5
S score	3.5/5	3.2/5
P score	3.5/5	3.5/5
I score	3.8/5	3.6/5
C score	3.7/5	3.6/5
E score	3.4/5	3.2/5

Top 10

	Weight	SPICE rating	CS
Sanofi	8.2%	3.2/5	83%
SAP	4.5%	4.2/5	30%
Air Liquide	4.4%	4.2/5	10%
Kerry Group	4.1%	3.9/5	18%
Veolia	4.0%	3.7/5	43%
Qiagen	3.8%	3.3/5	75%
ASML	3.7%	4.2/5	27%
Novartis	3.3%	3.6/5	85%
Roche Holding	3.1%	3.8/5	87%
Schneider E.	2.6%	4.3/5	37%

Performance contributors

	Avg. weight	Contrib
Positive		
ASML	3.6%	0.58%
Veolia	4.0%	0.35%
SAP	4.8%	0.34%
Negative		
Rovi	1.1%	-0.21%
Roche Holding	3.0%	-0.20%
Sanofi	8.0%	-0.07%

Portfolio changes

Buy

Reinforcement

Sell

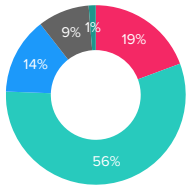
Reduction

Danone
Rovi
Roche

Air Liquide
Sap
Poste Italiane



Sustainability thematics



- Digital and communication
- Health & Safety
- Sustainable lifestyles
- Nutrition and well-being
- Education

ESG scores

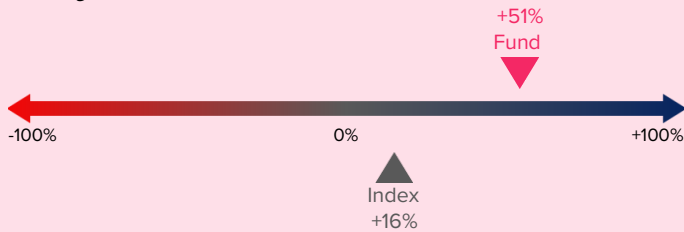
	Fund	Index
ESG*	3.5/5	3.3/5
Environment	3.4/5	3.2/5
Social	3.5/5	3.4/5
Governance	3.6/5	3.5/5

Societal and social analysis

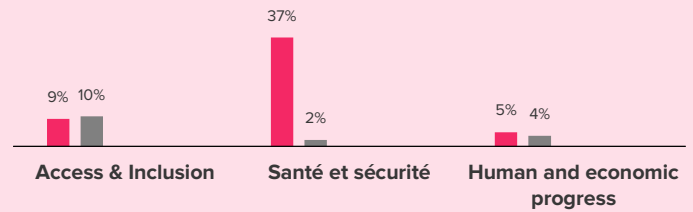
Societal contribution **

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 94%



Pillar breakdown

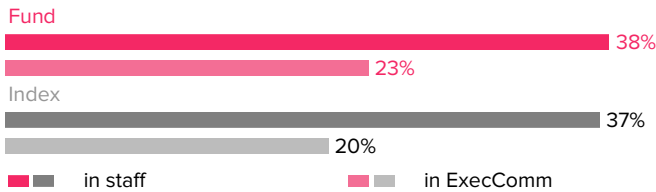


Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

Staff coverage rate : fund 98% / index 97%

ExecComm coverage rate : fund 97% / index 93%



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 99% / index 98%



The Good Jobs Rating

Degree to which companies contribute to the creation of sustainable and quality jobs, accessible to the greatest number, particularly in regions, countries or territories most in need.

Coverage rate : fund 98% / index 89%

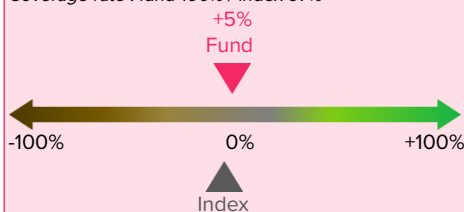


Environmental analysis

Net Environmental Contribution (NEC)**

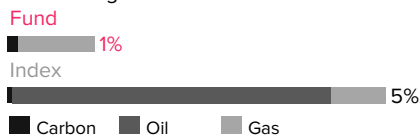
Degree of alignment of the economic models with the ecological transition, integrating biodiversity and climate, on a scale running from -100% for eco-obstruction to +100% for eco-solution, where 0% equates to the average environmental impact of the global economy. The results are expressed in NEC 1.0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

Coverage rate : fund 100% / index 97%



Fossil fuel exposure

Percentage of income derived from the three fossil energies.



■ Carbon ■ Oil ■ Gas

Carbon footprint

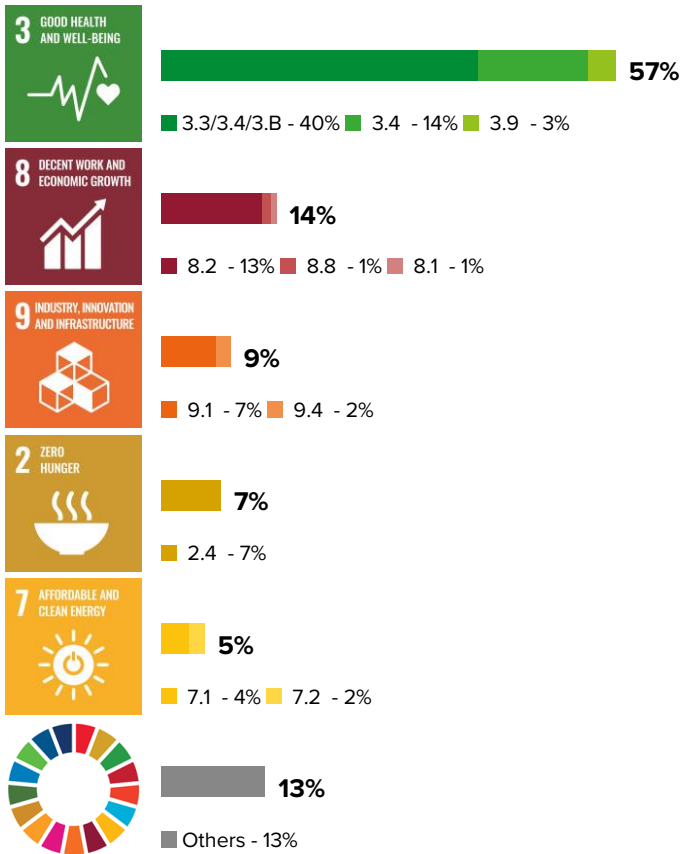
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.

Coverage rate : fund 99% / index 98%

	Fund	Index
kg. eq. CO ₂ /year/k€	118	296



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 : 12%

ESG follow-up, news and dialogue

Dialogue and engagement

SAP

In the process of our regular discussions with the group on its ESG reporting, we have suggested the disclosure of indicators on notifications received via its Ethics Alert System and how these are processed, to assess the notoriety and effectiveness of the system.

Air Liquide

Discussions with the Group HR Director as part of Sycomore's participation in the 30% Club engagement initiative, which encourages SBF120 companies to take necessary steps to ensure women account for 30% min. of Executive Committee members by 2025.

ESG controversies

Soi

Discussion with the company following an investigation led by the prosecutor in Palermo on potential corruption charges involving two managers. Despite the company's defense which highlights the individual responsibility of the employees, the group's anti-corruption policies – that comply with regulation – and the limited scope of the sales impacted, we are keeping a close eye on the investigation and have preventatively set a minus 2 severity level, which also accounts for the potential reputational impact.

Votes

0 / 0 voted general assembly over the month.

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