



**sycomore**  
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# sycomore global éco solutions

APRIL 2023

Share IC

Isin code | LU2412098654

NAV | 86.8€

Assets | 14.9 M€

## SFDR 9

### Sustainable Investments

% AUM: ≥ 80%

% Companies\*: 100%

\*Excluding derivatives, cash & equivalent

### Risk indicator

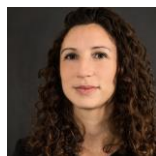


The risk indicator assumes you keep the product for 5 years.

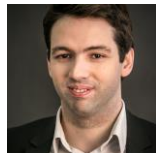
**Warning :** the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

### Investment Team



**Anne-Claire  
ABADIE**  
Fund Manager



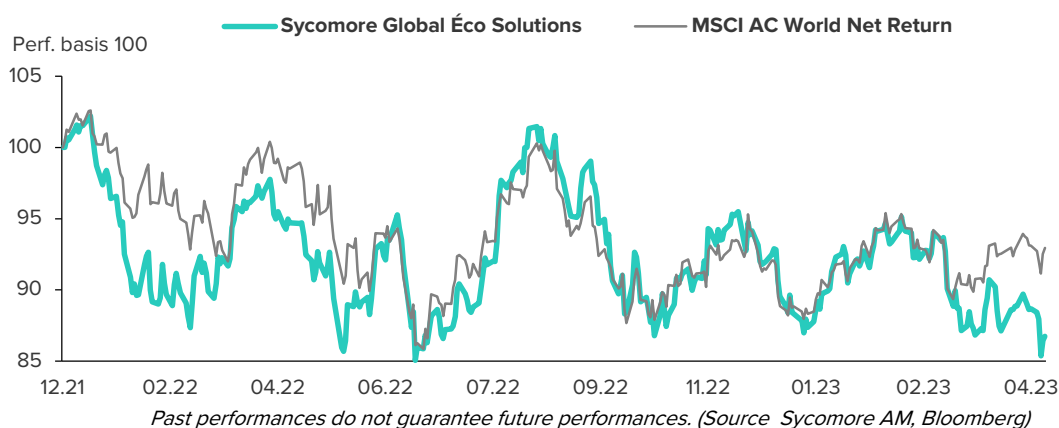
**Alban  
PRÉAUBERT**  
Fund Manager

### Investment strategy

#### A global selection of companies supporting the environmental transition

Sycomore Global Eco Solutions invests in international listed companies across the entire market capitalization spectrum. The fund focuses on companies with business models that contribute to the environmental transition according to the Net Environmental Contribution (NEC) metric, covering a wide range of areas: renewable energy, energy efficiency and electrification, mobility, natural resources, renovation and construction, circular economy, food, and ecosystem services. The fund excludes businesses that destroy biodiversity, contribute towards global warming, or display poor Environmental, Societal and Governance ratings.

### Performance as of 28.04.2023



	Apr	2023	1 year	Inc.	Annu.	2022
Fund %	-4.4	-0.7	-5.6	-13.2	-10.0	-13.9
Index %	-0.2	5.2	-2.5	-7.0	-5.3	-13.0

### Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
Inception	0.8	0.9	-5.0%	18.5%	16.3%	10.3%	-0.6	-0.5	-16.8%	-16.3%

### Fund commentary

During the month, markets moved upward, then downward, amid low trading volumes. However, this seeming inertia hides a contrast between struggling industrial sectors and service sectors which have continued to deliver positive surprises. Despite its stronger defensive positioning, achieved by increasing the weight of utilities and high-visibility stocks from the start of the year, the fund underperformed in April. In the US, the impact of rising interest rate hikes is now being felt, including a slowdown on the residential solar power market (Enphase) and destocking within the construction industry (Acuity). However, several sectors have remained dynamic, including energy management (Schneider Electric) and large-scale solar power installations, as solar module imports resume their high growth. We remain confident on corporate fundamentals: the massive green technology investment plans in Europe and in the US should act as structural catalysts, even in the event of an economic slowdown.



## Fund Information

### Inception date

21/12/2021

### ISIN codes

Share IC - LU2412098654

Share RC - LU2412098902

### Bloomberg tickers

Share IC - SYGESIE LX

Share RC - SYGESRE LX

### Benchmark

MSCI AC World Net Return

### Legal form

SICAV compartment

### Domiciliation

Luxembourg

### PEA eligibility

No

### Investment period

5 yrs

### Minimum investment

None

### UCITS V

Yes

### Valuation

Daily

### Currency

EUR

### Cut-Off

11am CET Paris (BPSS LUX)

### Cash Settlement

T+2

### Management fees

Share IC - 1.00%

Share RC - 2.00%

### Performance fees

15% > Benchmark

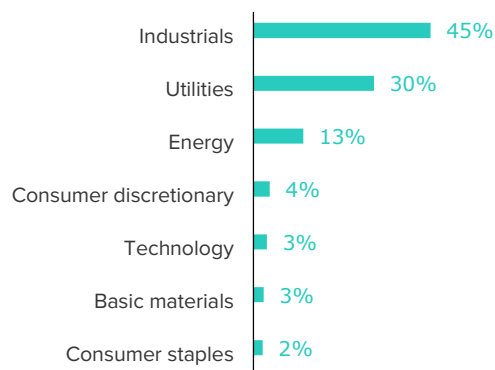
### Transaction fees

None

## Portfolio

Equity exposure	95%
Overlap with benchmark	1%
Number of holdings	45
Weight of top 20 stocks	59%
Median market cap	14.5 €bn

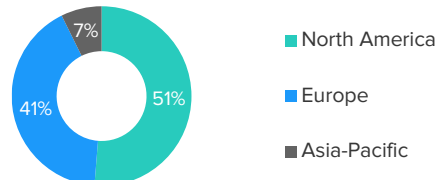
## Sector exposure



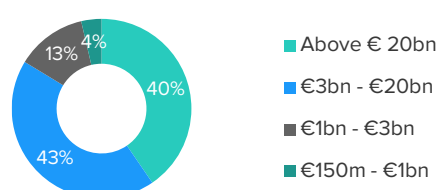
## Valuation

2023 PER	20.4x	Fund	20.4x	Index	16.1x
2023 EPS growth	11.4%		11.4%		6.4%
2023 P/BV ratio	2.7x		2.7x		2.4x
Return on Equity	13.4%		13.4%		15.1%
2023 Dividend Yield	1.6%		1.6%		2.3%

## 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	3.3/5
S score	3.4/5	2.8/5
P score	3.6/5	3.2/5
I score	3.7/5	3.6/5
C score	3.7/5	3.2/5
E score	3.9/5	3.1/5

## Top 10

	Weight	SPICE rating	NEC
Schneider E.	4.0%	4.3/5	+13%
Quanta Services	3.7%	3.4/5	+16%
Eaton Corp.	3.6%	3.7/5	+10%
Wabtec	3.5%	3.7/5	+100%
Waste Connections	3.5%	3.9/5	+42%
Xylem	3.5%	3.8/5	+18%
Veolia	3.5%	3.7/5	+46%
Clean Harbors	3.5%	3.7/5	+53%
NextEra Energy	3.5%	3.2/5	+15%
Shoals Technologies Group	3.5%	3.4/5	+62%

## Performance contributors

	Avg. weight	Contrib
<b>Positive</b>		
Owens Corning	2.6%	0.20%
SunOpta	2.4%	0.20%
Schneider E.	4.2%	0.12%
<b>Negative</b>		
MP Materials	2.1%	-0.53%
Enphase Energy	1.7%	-0.41%
Acuity Brands	2.4%	-0.40%

## Portfolio changes

### Buy

### Reinforcement

Elia Group  
Nexans  
Neste

### Sell

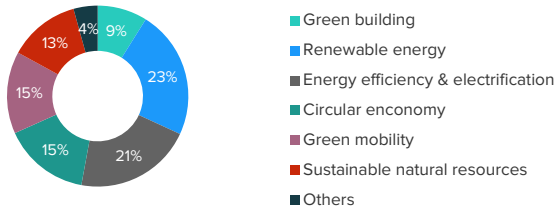
Merida

### Reduction

Owens Corn.  
Sca  
Saint-Gobain



## Environmental thematics



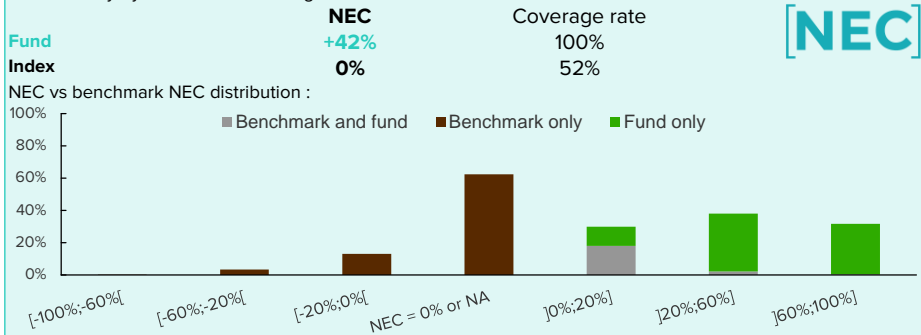
## ESG scores

	Fund	Index
<b>ESG*</b>	3.6/5	3.1/5
Environment	3.9/5	3.1/5
Social	3.5/5	3.0/5
Governance	3.5/5	3.3/5

## Environmental analysis

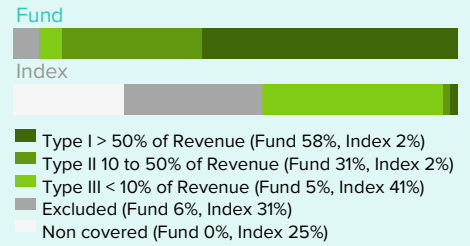
### Net Environmental Contribution (NEC)\*\*

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](https://nec-initiative.org)) scores calculated by Sycomore Asset Management on the basis of data collected from 2018 to 2021.



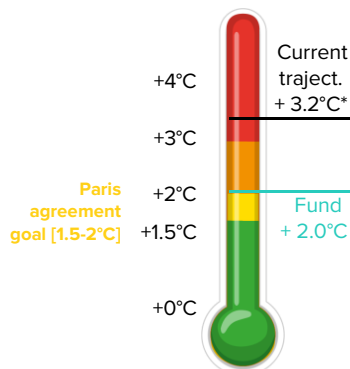
### Greenfin Breakdown\*\*

Companies breakdown according to their revenue generated by eco and excluded activities defined by [the Greenfin label](https://www.greenfinlabel.com)



### Temperature rising - SB2A

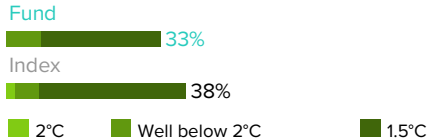
Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.  
Coverage rate : fund 71%



\*IPCC Sixth Assessment Report «Climate Change 2022: Mitigation of Climate Change». <https://www.ipcc.ch/assessment-report/ar6/>

### Climate alignment - SBTi

Share of companies that have validated their greenhouse gas reduction targets with the Science-Based Targets initiative.



### Carbon footprint

Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested\*\*\*.  
Coverage rate : fund 92% / index 98%



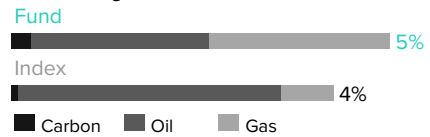
### European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy  
Coverage rate : fund 100% / index 73%



### Fossil fuel exposure

Percentage of income derived from the three fossil energies.



### Biodiversity footprint

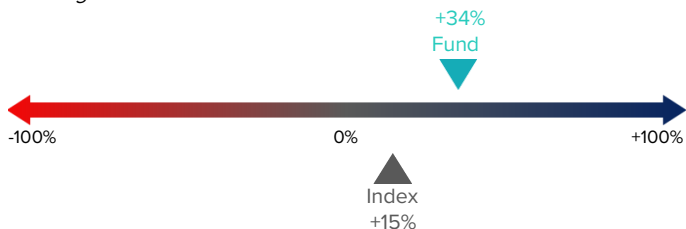
Artificialised surface area in m<sup>2</sup> MSA per k€ invested\*\*\*, measured by the Corporate Biodiversity Footprint. Mean Species Abundance (MSA) is assessed in comparison with the original state of the environment.



## 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 56%



### Staff growth

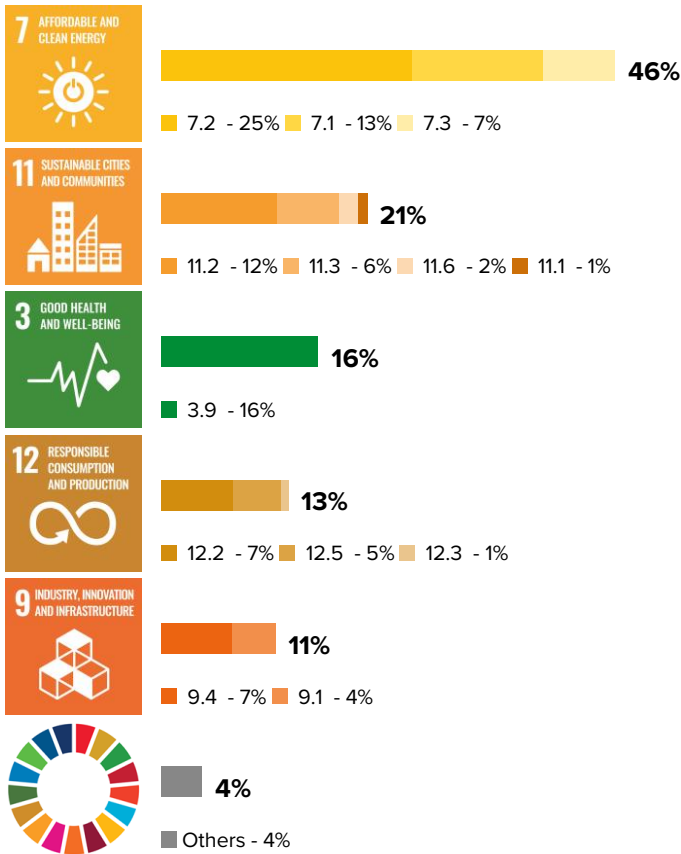
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).  
Coverage rate : fund 98% / index 74%



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-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 (market capitalization for financials).



## 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 : 14%**

Note: while SDG # 13 does not feature explicitly in this classification, this SDG remains one of the key objectives of our investment strategy and a factor that is systematically integrated and assessed, both at stock picking level and in our measurement of impacts. Nevertheless, based on the wording chosen by the UN, SDG # 13 cannot apply to a corporate company.

## ESG follow-up, news and dialogue

### Dialogue and engagement

#### Prysmian

As part of an individual engagement initiative ahead of the AGM, we suggested that the company should disclose its gender pay gap and set an upper limit.

#### Alfen

In 2022, as part of an individual engagement initiative, we suggested that Alfen should strengthen its governance structure. We acknowledge the progress made by the company which made the following announcements during its 2023 AGM: the impending creation of an audit and compensation committee and the enlargement of its Board of Directors following the appointment of a new female member, thereby ensuring full parity.

### ESG controversies

#### Alstom

Alstom is among providers of a public contract that is central to the Greek and European investigations following the train crash that caused 57 deaths in the middle of the country. A contract involving multiple parties for the renovation of Greece's rail infrastructure, which was delayed several times, is currently being probed. It appears, however, that Alstom's responsibility is limited and that the Group has taken the necessary actions to deliver the services included within the contract.

### Votes

**6 / 8** voted general assemblies over the month.

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