



**sycamore**  
am

# sycamore global éco solutions

JANUARY 2024

Share RC

Isin code | LU2412098902

NAV | 81.7€

Assets | 81.1 M€

## SFDR 9

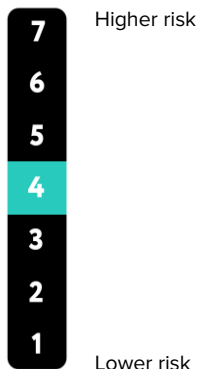
### Sustainable Investments

% AUM: ≥ 80%

% Companies\*: 100%

\*Excluding derivatives, cash & equivalent

### Risk indicator



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

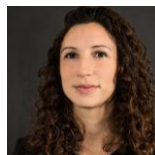
**Warning :** the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

### Investment Team



**Thibault RENOUX**  
Fund Manager



**Anne-Claire ABADIE**  
Fund Manager



France

### Investment strategy

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

Sycamore Global Eco Solutions invests in international listed companies across the entire market 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 31.01.2024



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

	Jan	2024	1 year	Inc.	Annu.	2023	2022
Fund %	-2.4	-2.4	-10.8	-18.3	-9.1	-3.2	-14.8
Index %	2.3	2.3	14.7	6.7	3.1	18.1	-13.0

### Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
Inception	0.8	1.0	-12.2%	16.8%	14.4%	9.7%	-0.6	-1.3	-29.3%	-16.3%

### Fund commentary

Equity markets proved rather volatile in January, with a first period of uncertainty and consolidation, followed by a strong recovery, once more driven by the technology sector. Over-optimistic expectations on rate cuts, combined with declining electricity prices, had a negative impact on the renewable energy theme (Solaria, EDPR, First Solar). In the US, the development of electric mobility - to which the fund is marginally exposed, stumbled in January due to delays in the creation of new platforms and the deployment of the charging network. Nevertheless, the initiation of a rate cutting cycle was enough to inject new dynamism into the construction sector. Acuity Brands delivered a record margin and is expecting volumes to recover this year. In this rather turbulent environment, players in the waste market (Waste Connections, Republic Services, Veolia) and electrification (Elia, EON, Eaton, Nexans) also continued to post robust performances.



## 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

D+2

### Management fees

Share IC - 1.00%

Share RC - 2.00%

### Performance fees

15% > Benchmark

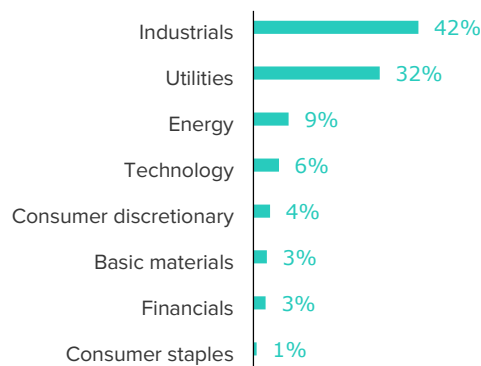
### Transaction fees

None

## Portfolio

Equity exposure	99%
Overlap with benchmark	2%
Number of holdings	44
Weight of top 20 stocks	65%
Median market cap	21.7 €bn

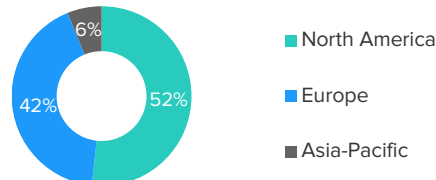
## Sector exposure



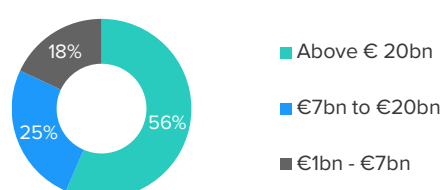
## Valuation

2023 PER	17.2x	16.3x
2023 EPS growth	8.8%	9.2%
2023 P/BV ratio	2.6x	2.8x
Return on Equity	15.0%	17.0%
2023 Dividend Yield	1.6%	2.1%

## 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\*.

	<b>Fund</b>	<b>Index</b>
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	3.8/5	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
Eaton Corp.	5.6%	3.7/5	+11%
Veolia	4.9%	3.7/5	+52%
Waste Connections	4.6%	3.9/5	+42%
Wabtec	4.6%	3.6/5	+100%
Quanta Services	3.9%	3.4/5	+16%
Republic Services	3.9%	3.8/5	+44%
Clean Harbors	3.9%	3.7/5	+53%
Owens Corning	3.9%	3.6/5	+21%
Equinix	3.9%	3.6/5	+24%
Kurita Water Industries	3.9%	3.9/5	+71%

## Performance contributors

	Avg. weight	Contrib
<b>Positive</b>		
Acuity Brands	2.7%	0.51%
Eaton Corp.	6.2%	0.36%
Waste Connections	5.0%	0.34%
<b>Negative</b>		
EDP Renovaveis	3.2%	-0.73%
Solaria Energia	2.0%	-0.65%
First Solar	3.4%	-0.45%

## Portfolio changes

### Buy

E.On

### Reinforcement

Veolia  
Sig Group Ag  
Wabtec

### Sell

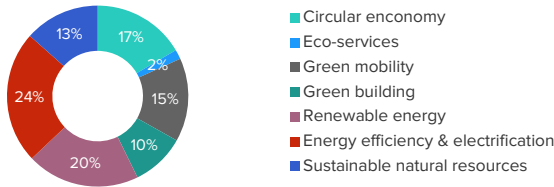
Verbund  
Neste  
Alfen Nv

### Reduction

Sca  
Acuity Brands  
Infineon



## Environmental thematics



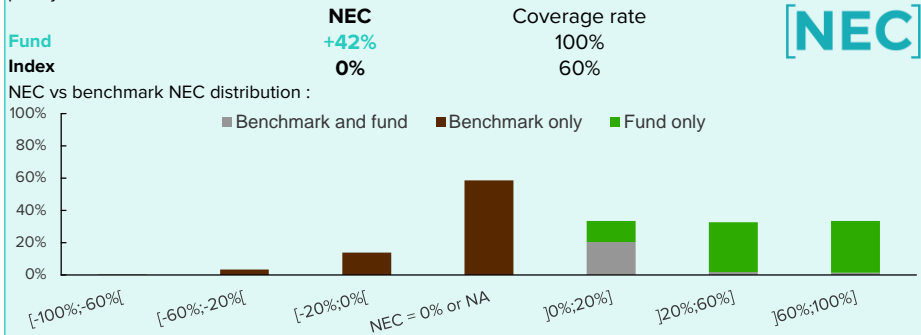
## ESG scores

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

## Environmental analysis

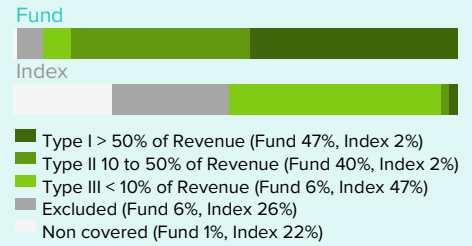
### Net Environmental Contribution (NEC)\*\*

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)) calculés par Sycomore AM sur la base de données de 2018 à 2021.



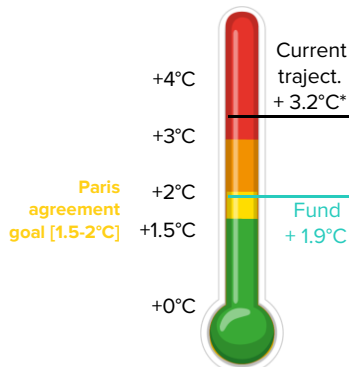
### Greenfin Breakdown\*\*

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



### Temperature rising - SB2A

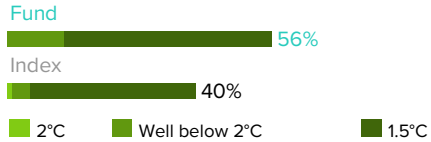
Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.  
Coverage rate : fund 82%



\*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 98% / index 98%

	Fund	Index
kg. eq. CO <sub>2</sub> /year/k€	285	286

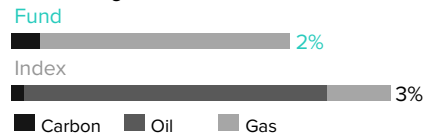
### European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy  
Coverage rate : fund 100% / index 77%

	Fund	Index
Eligible share	87%	45%

### Fossil fuel exposure

Percentage of income derived from the three fossil energies.



### Biodiversity footprint

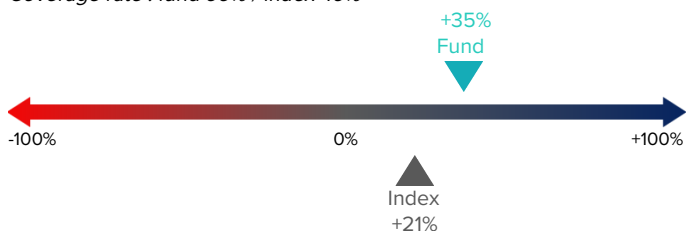
Artificialised surface area in m<sup>2</sup> MSA per k€ invested\*\*\*, measured by the Corporate Biodiversity Footprint. Mean Species Abundance (MSA) is assessed in comparison with the original state of the environment.

	Fund	Index
Coverage rate	82%	39%
m <sup>2</sup> .MSA/k€	-51	-34

## Societal and social analysis

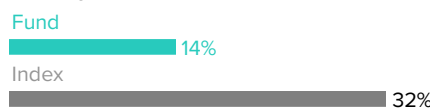
### Societal contribution

Contribution of the economic activity of companies to the resolution of major societal issues, on a scale from -100% to +100%.  
Coverage rate : fund 99% / index 49%



### Staff growth

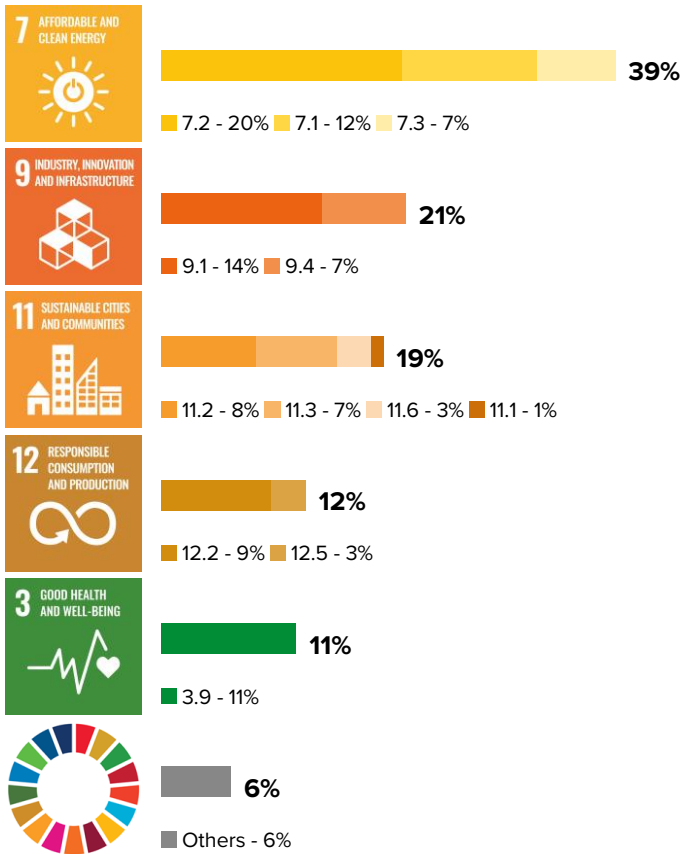
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).  
Coverage rate : fund 96% / index 77%



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, 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 : 12%**



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

#### STMicroelectronics

We asked STMicroelectronics to provide more transparent information on weightings, trigger points, targets and achievements on its criteria relating to short and long-term executive remuneration. We notably encouraged the company to assemble information on the annual ESG criteria achievement ratios within the proxy.

#### ESG controversies

##### UPM

UPM was fined \$188,000 by Uruguay's Environment Ministry for an accidental spill of 900 to 1000 m3 of caustic soda in the Rio Negro last August. The company has accepted responsibility for the incident and collaborated with the authorities to identify the causes of the spill and ensure remedial actions were taken as soon as possible.

#### Votes

1/1 voted general assembly over the month.

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

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 KIID available on our website: [www.sycomore-am.com](http://www.sycomore-am.com).