SFDR 8

Sustainable Investments

% AUM:	≥ 25%
% Companies*:	≥ 50%

*Excluding derivatives, cash & equivalent

Risk indicator

7	Higher risk
6	
5	
4	
3	
2	
1	Lower risk
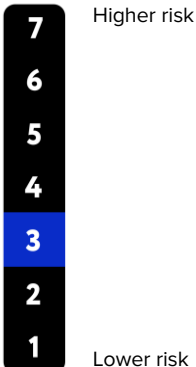
The risk indicator assumes you keep the product for 5 years.
Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

Investment Team

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Fund Manager

Alexandre TAIEB
Fund Manager

Anaïs CASSAGNES
SRI analyst

Label ISR
INVESTISSEMENT · SOCIALEMENT · RESPONSABLE
🇫🇷 RÉPUBLIQUE FRANÇAISE

France

Investment strategy

Sycomore Next Generation is a flexible, multi-asset SRI fund that combines Sycomore's proven expertise in responsible stock and bond picking and international asset allocation, to achieve performance and diversification. The fund's investment process draws from a thorough fundamental analysis, combined with the ESG analysis of companies and countries, with an additional macroeconomic overlay. Managed actively, the fund's exposure to equities (0-50%) and fixed income (0-100%) - including corporate and sovereign debt - is designed to enhance its risk-return profile, to achieve steady capital growth. Employing a multi-themed SRI approach, the fund seeks to invest in companies addressing social, environmental, and technological challenges as highlighted by the United Nations' Sustainable Development Goals, for the generations to come.

Performance as of 31.10.2024

Legend: Net equity exposure (right) | Sycomore Next Generation | ESTR + 2.5%
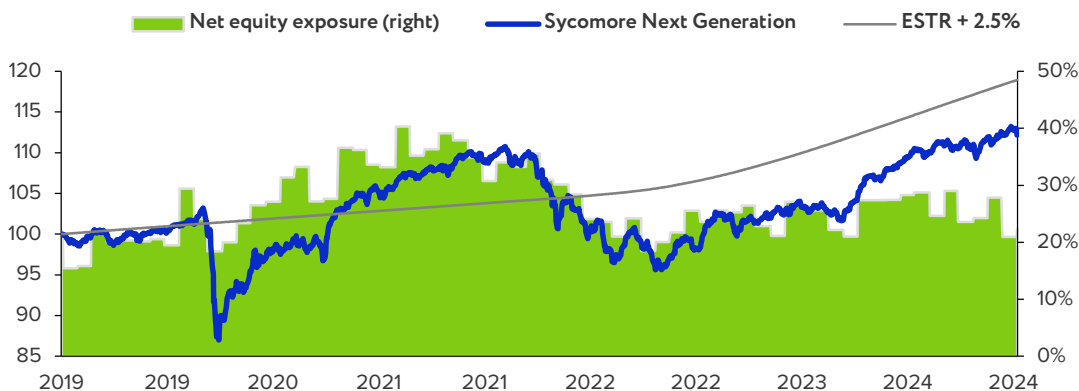
Past performances do not guarantee future performances. (Source Sycomore AM, Bloomberg)

	Oct	2024	1 year	3 yrs	5 yrs	Inc.	Annu.	2023	2022	2021	2020
Fund %	-0.2	4.7	10.0	2.2	12.1	12.2	2.1	9.2	-10.6	5.3	3.1
Index %	0.5	5.4	6.5	14.5	18.0	18.9	3.2	5.9	2.3	1.5	1.5

Statistics

	Corr.	Beta	Alpha	Vol.	Sharpe Ratio	Info Ratio	Draw Down	Sensi.	Yield to mat.	Yield to worst
3 years	0.1	1.4	-5.4%	4.4%	-0.3	-0.9	-13.7%			
Inception	0.0	0.9	-0.5%	5.2%	0.2	-0.2	-15.7%	3.0	4.6%	4.2%

Fund commentary

The prospect of a particularly tight US election - after the odds of a Trump victory rose over the past few weeks - had a strong impact on US yields. Indeed, the Republican candidate's political agenda, including high import taxes, has raised inflationary risks. In the Eurozone, after retreating sharply over the past 4 months, yields paused for breath. While the ECB confirmed its intent to ease monetary policy with a further rate cut, we believe that the market's forecasts for future cuts are overly aggressive. While the primary market remained very dynamic, we chose to be highly selective. Financials remained on track as the earnings season got under way, with JP Morgan, Axa and BNP delivering positive performances. Alphabet also reported improved earnings, notably thanks to profits enabled by a greater use of AI.

sycomore next generation

Fund Information

Inception date
29/04/2019

ISIN codes
Share IC - LU1961857478
Share ID - LU1973748020
Share RC - LU1961857551

Bloomberg tickers
Share IC - SYCNXIE LX
Share ID - SYCNXID LX
Share RC - SYCNXRE LX

Benchmark
ESTR + 2.5%

Legal form
SICAV compartment

Domiciliation
Luxembourg

PEA eligibility
No

Investment period
3 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 - 0.60%
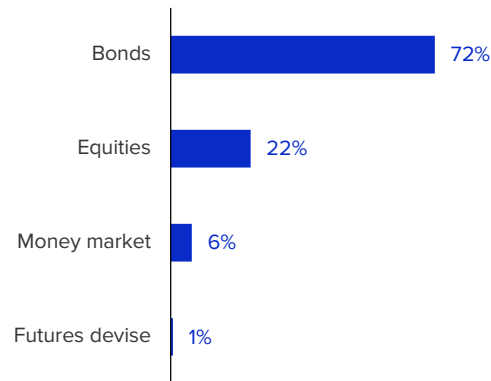Share ID - 0.60%
Share RC - 1.20%
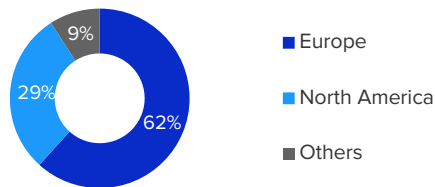
Performance fees
15% > Benchmark

Transaction fees
None

Equities

Number of holdings	40
Weight of top 20 stocks	13%

Asset class breakdown

Bonds	72%
Equities	22%
Money market	6%
Futures devise	1%

Equity country breakdown

- Europe 62%
- North America 29%
- Others 9%

Bonds

Number of bonds	133.0

Bond allocation

- High Yield 45%
- Investment Grade 26%
- Govies 24%
- NR 5%
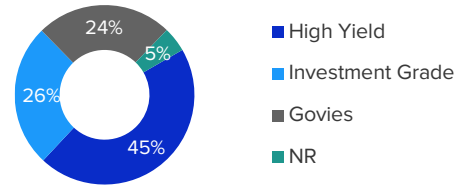
Currency breakdown

- EUR 88%
- USD 9%
- Others 2%
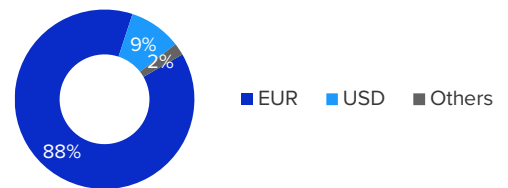
SPICE, for Society & Suppliers, People, Investors, Clients, Environment is our tool for assessing a company's performance on sustainability criteria. This tool incorporates the analysis of economic, governance, environmental, social, and societal risks and opportunities covering both the company's daily 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	3.6/5
S score	3.3/5	3.3/5
P score	3.5/5	3.7/5
I score	3.4/5	3.7/5
C score	3.5/5	3.5/5
E score	3.3/5	3.3/5

Performance contributors

Positive	Avg. weight	Contrib	Negative	Avg. weight	Contrib
Société générale	0.40%	0.09%	ASML	0.77%	-0.16%
Nvidia	0.51%	0.07%	LVMH	0.39%	-0.05%
T-mobile us	0.46%	0.05%	Vonovia	0.69%	-0.05%

Direct Equities

	Weight	SPICE rating	NEC score	CS score
Alphabet	1.0%	3.3/5	4%	25%
Microsoft	0.8%	4.0/5	3%	24%
Publicis	0.7%	3.6/5	-12%	-14%
Deutsche telekom	0.7%	3.7/5	0%	50%
Sanofi	0.7%	3.2/5	0%	88%

Bond holdings

	Weight
France 0.0% 2024	4.3%
Italy 2.8% 2028	4.2%
Usa 2.5% 2029	2.4%
Italy 3.5% 2026	2.0%
Scor 3.9% 2025	1.3%

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Sustainability thematics
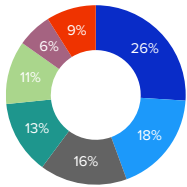
- Digital and communication — 26%
- Health & Safety — 18%
- Energy transition — 16%
- SPICE Leadership — 13%
- SPICE transformation — 11%
- Sustainable mgmt of resources — 6%
- Others — 9%

ESG scores

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

Environmental analysis

Net Environmental Contribution (NEC)❋❋

Degree of alignment of business models with the ecological transition, integrating biodiversity and climate, on a scale from -100%, for eco-obstruction, to +100%, for eco-solution, where 0% corresponds to the average environmental impact of the global economy. Results are expressed in NEC 1.1 scores (nec-initiative.org) calculated by Sycomore AM on the basis of data from 2021 to 2024.
Coverage rate : fund 94% / index 98%

+7%
Fund

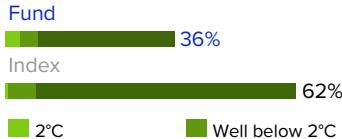-100%   0%   +100%

Index
-1%
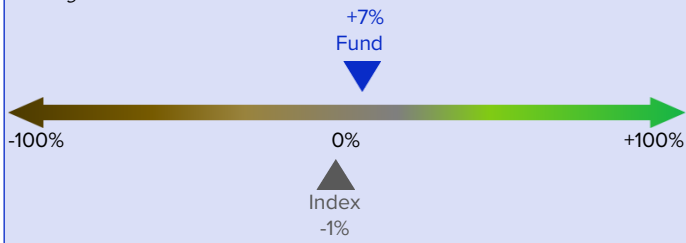
European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy
Coverage rate : fund 63%

Fund — 25%

Index — 38%

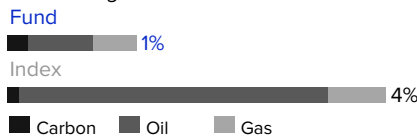### Climate alignment - SBTi

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

Fund — 36%

Index — 62%

- 2°C
- Well below 2°C
- 1.5°C

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

Fund — 1%

Index — 4%

- Carbon
- Oil
- Gas

Carbon footprint

Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.
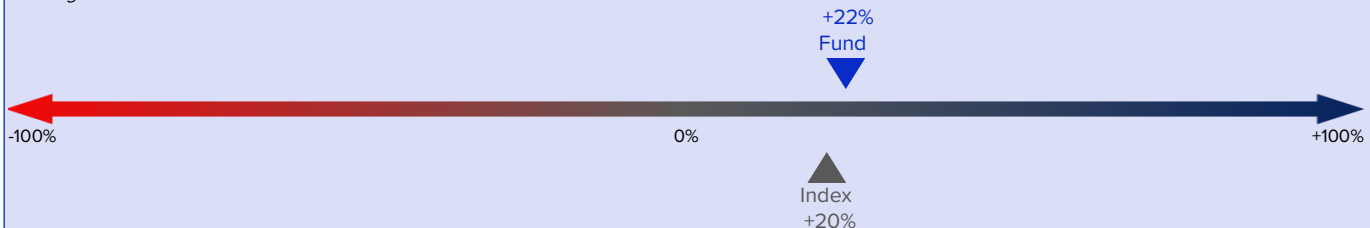*Coverage rate : fund 54%*

	Fund
kg. eq. CO$_2$ /year/k€	333

Societal and social analysis
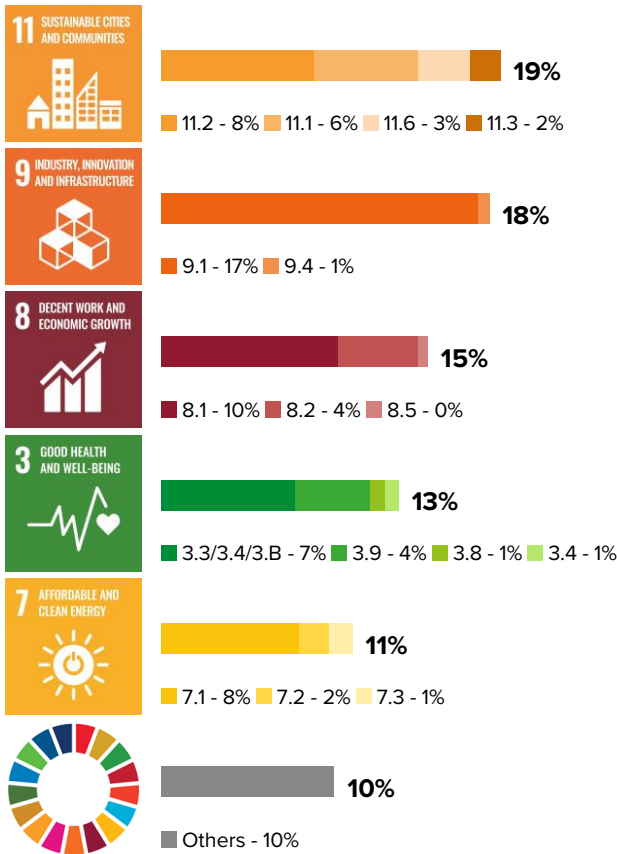
Societal contribution❋❋

Contribution of the economic activity of companies to the resolution of major societal issues, on a scale from -100% to +100%.
Coverage rate : fund 97%/ index 99%

+22%
Fund

-100%   0%   +100%

Index
+20%

Sustainable development goals exposure

11 SUSTAINABLE CITIES AND COMMUNITIES

19%

■ 11.2 - 8% ■ 11.1 - 6% ■ 11.6 - 3% ■ 11.3 - 2%

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

18%

■ 9.1 - 17% ■ 9.4 - 1%

8 DECENT WORK AND ECONOMIC GROWTH

15%

■ 8.1 - 10% ■ 8.2 - 4% ■ 8.5 - 0%

3 GOOD HEALTH AND WELL-BEING

13%

■ 3.3/3.4/3.B - 7% ■ 3.9 - 4% ■ 3.8 - 1% ■ 3.4 - 1%

7 AFFORDABLE AND CLEAN ENERGY

11%

■ 7.1 - 8% ■ 7.2 - 2% ■ 7.3 - 1%

10%

■ Others - 10%

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 environnemental 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 : 25%

ESG follow-up, news and dialogue

Dialogue and engagement
No comment

ESG controversies
No comment

Votes

0 / 0   voted general assembly over the month.
Details on our votes are available here the day following the company's AGM Here.

Part of

GENERALI INVESTMENTS