



sycamore
am

sycamore

sélection midcap

OCTOBER 2024

Share A

Isin code | FR0010376343

NAV | 814.8€

Assets | 68.5 M€

SFDR 8

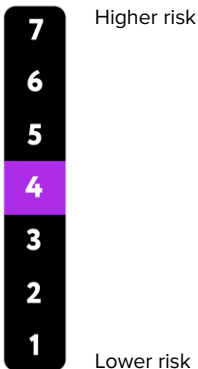
Sustainable Investments

% AUM: ≥ 50%

% Companies*: ≥ 50%

*Excluding derivatives, cash & equivalent

Risk indicator



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

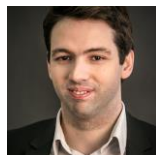
Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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

Investment Team



Hugo MAS
Fund Manager



Alban PRÉAUBERT
Fund Manager



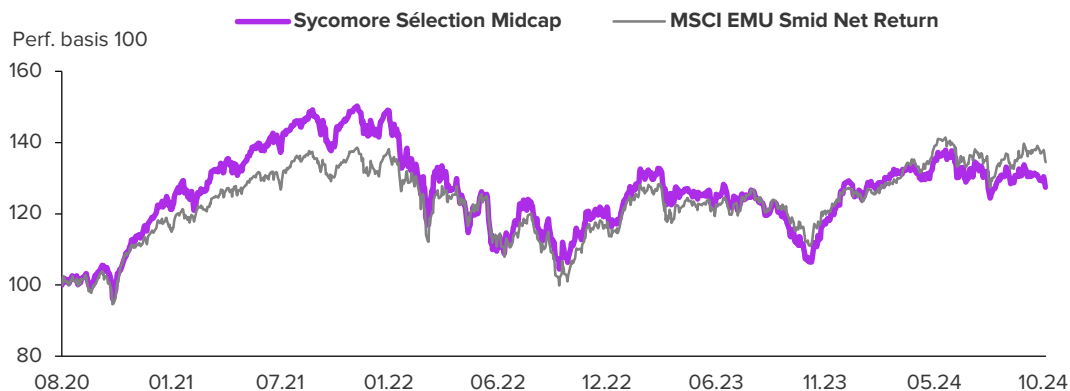
France

Investment strategy

A responsible selection of mid-caps

Sycamore Sélection Midcap seeks to outperform the MSCI EMU Smid Cap Net Return index (dividends reinvested) by employing a socially responsible and multi-themed investment process (energy transition, healthcare, nutrition, well-being, digital...) in keeping with the United Nations' Sustainable Development Goals (SDGs). Primarily exposed to EU country equities, the fund specifically targets the mid-cap segment, with no sector constraints. Our ESG exclusion and selection methodology is fully integrated into our corporate fundamental analysis framework.

Performance as of 31.10.2024



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

	Oct 2024	1 year	3 yrs	*08/20	Annu.	2023	2022	2021	
Fund %	-3.6	-1.1	18.6	-12.7	27.5	5.9	9.8	-20.9	24.9
Index %	-2.7	6.0	19.2	0.1	34.5	7.3	10.8	-16.0	18.9

*The performances achieved before August 10, 2020 were achieved according to an investment strategy different from the one currently in force.

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
08/20*	1.0	1.0	-1.3%	16.6%	15.4%	5.2%	0.3	-0.3	-30.5%	-27.9%

Fund commentary

Markets became jittery in October ahead of the US election, with both parties standing neck-to-neck and as the quarterly earnings season got under way. The fund's exposure to renewable energies - including Solaria and ERG, which both corrected as investors now anticipate a Republican victory - detracted from performance. The portfolio was generally impacted by a slowdown affecting all sectors, with disappointing earnings reported by Virbac (inventory reductions by a distributor and weak demand in Australia), Munters (slowdown in demand for systems used for EV battery manufacturing) and Ipsos (lacklustre demand in the United States, notably within the public affairs sector). In contrast, Thule reported resilient activity data for Q3 and has improved its profitability thanks to a positive product mix.



Fund Information

Inception date

10/12/2003

ISIN codes

Share A - FR0010376343

Share I - FR0013303534

Share R - FR0010376368

Bloomberg tickers

Share A - SYNSMAC FP

Share I - SYNSMAI FP

Share R - SYNSMAR FP

Benchmark

MSCI EMU Smid 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

D+2

Management fees

Share A - 1.50%

Share I - 1.00%

Share R - 2.00%

Performance fees

15% > Benchmark

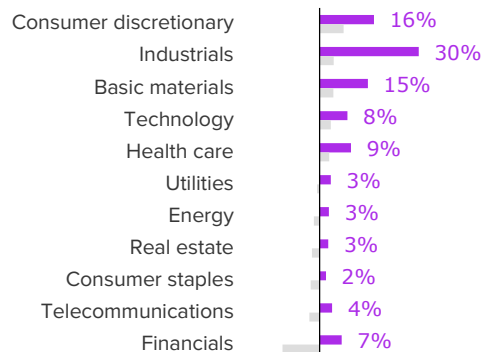
Transaction fees

None

Portfolio

Equity exposure	100%
Overlap with benchmark	10%
Number of holdings	56
Weight of top 20 stocks	53%
Median market cap	3.8 €bn

Sector exposure

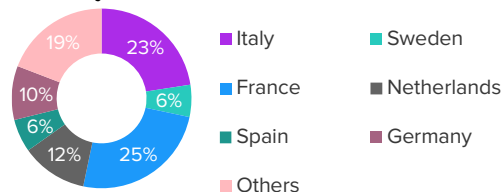


*Fund weight - weight MSCI EMU Smid Net Return

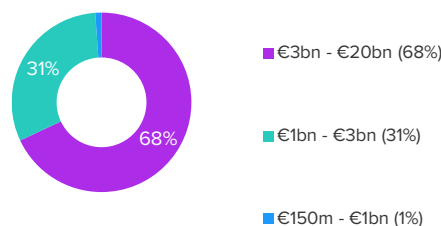
Valuation

	Fund	Index
2024 P/E ratio	16.7x	12.4x
2024 EPS growth	13.5%	4.6%
2024 P/BV ratio	1.9x	1.4x
Return on Equity	11.3%	11.1%
2024 Dividend Yield	2.8%	3.6%

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	3.4/5
S score	3.5/5	3.2/5
P score	3.6/5	3.5/5
I score	3.7/5	3.5/5
C score	3.7/5	3.3/5
E score	3.4/5	3.2/5

Top 10

	Weight	SPICE rating	NEC	CS
Robertet	3.8%	3.6/5	+7%	10%
De longhi	3.5%	3.5/5	-13%	0%
Sopra-steria	3.4%	3.8/5	0%	18%
Arcadis	3.4%	3.8/5	+20%	43%
Fugro	3.2%	3.1/5	+18%	0%
Inwit	3.1%	3.7/5	-1%	50%
Corticeira	2.8%	3.5/5	-18%	-11%
Asr	2.7%	3.7/5	0%	34%
Gtt	2.7%	4.0/5	-10%	1%
Rovi	2.7%	3.5/5	0%	69%

Performance contributors

	Avg. weight	Contrib
Positive		
Virbac	4.6%	0.65%
Sopra-steria	3.3%	0.39%
Robertet	3.9%	0.30%
Negative		
Danieli	1.8%	-0.34%
Fugro	2.8%	-0.31%
D ieteren	2.4%	-0.28%

Portfolio changes

Buy

Technogym

Huhtamäki

Amplifon

Reinforcement

Rovi

Id logistics

Arcadis

Sell

Marr

Smiths group

Gerresheimer

Reduction

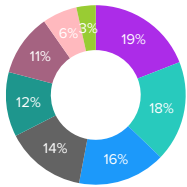
GEA Group

Jenoptik

Virbac



Sustainability thematics



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

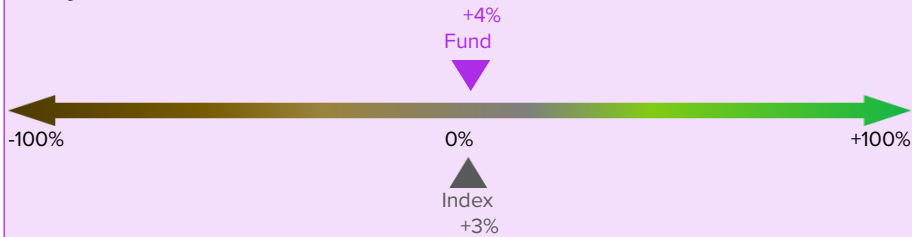
ESG scores

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

Environmental analysis

Net Environmental Contribution (NEC) **

Degré d'alignement des modèles économiques avec la transition écologique, intégrant biodiversité et climat, sur une échelle de -100%, pour éco-obstruction, à +100%, pour éco-solution, où le 0% correspond à l'impact environnemental moyen de l'économie mondiale. Les résultats sont exprimés en scores de NEC 1.0 (nec-initiative.org) calculés par Sycomore AM sur la base de données des années 2018 à 2021.
Coverage rate : fund 98% / index 91%



European taxonomy

Percentage of revenues derived from eligible activities to the EU taxonomy

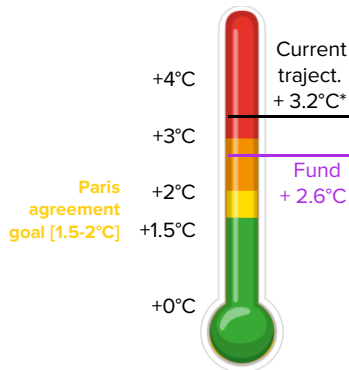
Coverage rate : fund 100% / index 98%



Temperature rising - SB2A

Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.

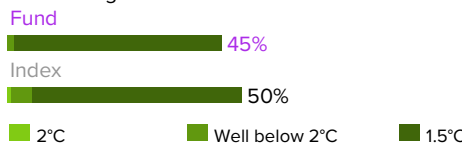
Coverage rate : fund 69%



*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

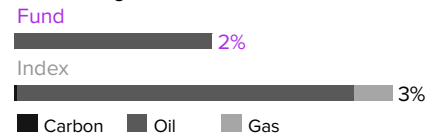
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.

Coverage rate : fund 94% / index 98%

	Fund	Index
kg. eq. CO ₂ /year/k€	189	361

Fossil fuel exposure

Percentage of income derived from the three fossil energies.

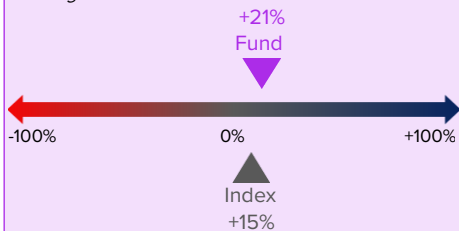


Societal and social analysis

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%



The Good Jobs Rating - Quantity

Degree of contribution of companies to sustainable job creation - Focus on the Quantity dimension: direct, indirect and induced job creation over the last three years.

Coverage rate : fund 100% / index 96%

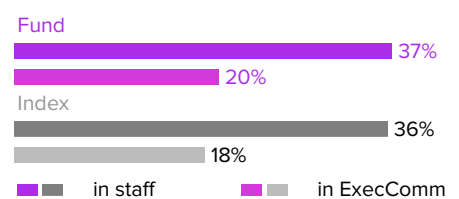


Gender equality ♀/♂

Percentage of women in total company headcounts and executive committees.

Staff cov. rate: fund 94% / index 88%

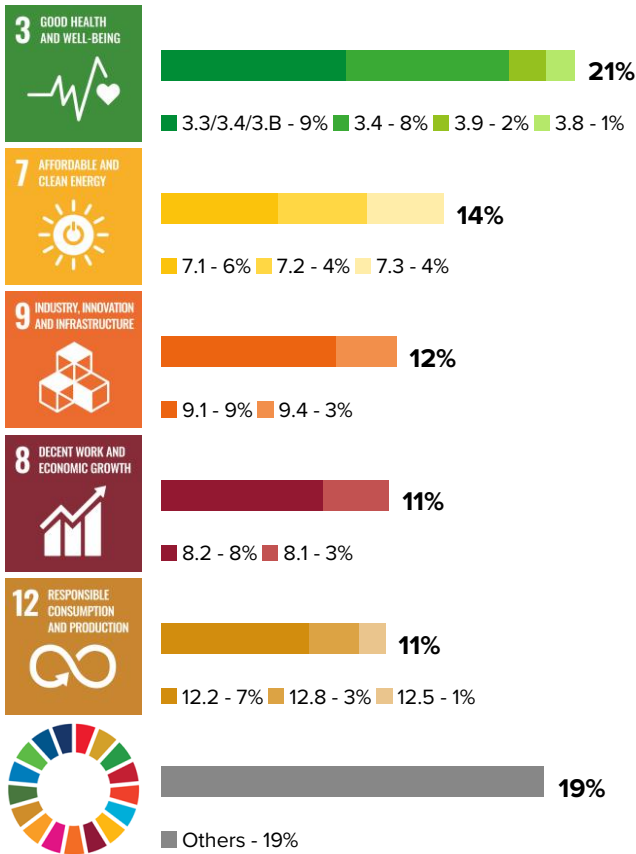
ExecComm cov. rate: fund 95% / index 93%



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 : 23%

ESG follow-up, news and dialogue

Dialogue and engagement

Virbac

Sycomore supported an engagement initiative led by the Club SMID with Virbac on governance issues. Several recommendations for improvement were shared with the company, including: to increase the weight of ESG criteria in the compensation plan and ensure these are aligned with the CSR roadmap, to publish attendance data for the non-voting director on the Board, to strengthen the independence of the audit committee, to separate the vote on the final discharge from the approval of financial statements.

ESG controversies

Soitec

We engaged with Soitec to discuss the 3 days of strikes organised by the CGT trade union to expose deteriorating working conditions. According to Investor Relations, this strike had no impact on production. We requested another discussion with the Group HR Director before the end of the year to help us assess the actions implemented by Soitec to address human capital issues and best adapt to sales growth.

Votes

1 / 2 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 KID available on our website: www.sycomore-am.com.