



**sycamore**  
am

# sycamore europe éco solutions

APRIL 2024

Share I

Isin code | LU1183791281

NAV | 160.2€

Assets | 497.5 M€

## SFDR 9

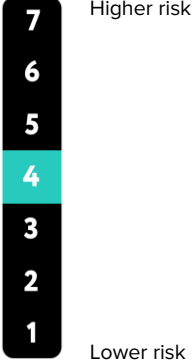
### Sustainable Investments

% AUM: ≥ 80%

% Companies\*: 100%

\*Excluding derivatives, cash & equivalent

### Risk indicator

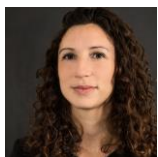


The risk indicator assumes you keep the product for 5 years.

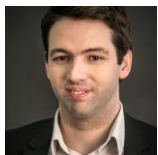
**Warning :** the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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



France



**GREENFIN LABEL**  
FRANCE FINANCE VERTE

France



Belgium



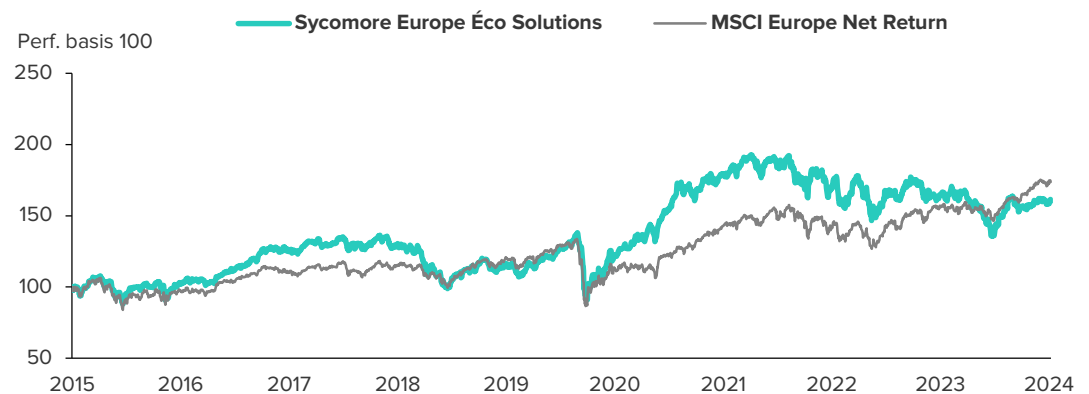
Germany

### Investment strategy

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

Sycamore Europe Eco Solutions invests in listed European companies across the entire market capitalisation spectrum. The fund focuses on companies with business models that support 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 30.04.2024



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

	Apr	2024	1 year	3 yrs	5 yrs	Inc.	Annu.	2023	2022	2021	2020
Fund %	-1.1	-2.1	-2.1	-9.0	33.9	60.2	5.6	1.6	-15.9	17.6	28.3
Index %	-0.9	6.7	11.0	26.5	45.6	73.8	6.6	15.8	-9.5	25.1	-3.3

### Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	0.9	1.0	-11.0%	16.7%	14.1%	8.5%	-0.3	-1.3	-29.7%	-19.5%
<b>Inception</b>	0.9	0.9	-0.1%	16.7%	16.3%	8.1%	0.3	-0.1	-34.2%	-35.3%

### Fund commentary

In April, markets were driven by dense macro news and the start of the earnings season. Our sustainable construction investments reacted well to rather positive surprises, amid resilient prices and lower energy costs and as the trough in volumes appears to have been reached, as confirmed by Saint-Gobain in its recent statements. The theme of natural resource management held up well, supported by positive earnings surprises enabled by the lower price of pulp. At the end of the month, the renewables' theme recovered a little and no longer seems to be reacting to upward movements on 10-year Treasury yields in the US. Neoen, ERG and EDP Renovaveis rebounded, supported by the incremental rise of electricity prices and deals within the sector that have crystallised the current under-valuation of listed assets. Overall, the market appears to be re-adapting to the new interest rate regime. In the United States, inflation readings remain above expectations, leaving the Fed with limited room for manoeuvre regarding its plans for lowering rates as early as June. The ECB may lower its key rates before the US and the first cut could be a catalyst rekindling interest in the environmental theme.



## Fund Information

### Inception date

31/08/2015

### ISIN codes

Share I - LU1183791281

Share R - LU1183791794

### Bloomberg tickers

Share I - SYCECOI LX

Share R - SYCECOR LX

### Benchmark

MSCI Europe Net Return

### Legal form

SICAV compartiment

### Domiciliation

Luxembourg

### PEA eligibility

Yes

### 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 I - 1.00%

Share R - 2.00%

### Performance fees

15% > Benchmark

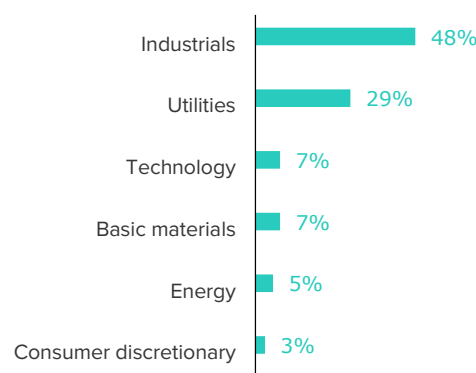
### Transaction fees

None

## Portfolio

Equity exposure	98%
Overlap with benchmark	5%
Number of holdings	49
Weight of top 20 stocks	62%
Median market cap	10.6 €bn

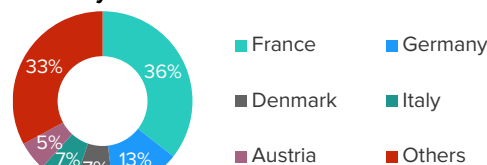
## Sector exposure



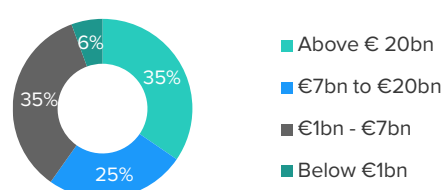
## Valuation

	Fund	Index
Ratio P/E 2024	15.5x	13.6x
Croissance bénéficiaire 2024	4.0%	5.5%
Ratio P/BV 2024	1.9x	2.0x
Return on Equity	12.1%	14.4%
Rendement 2024	2.4%	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	3.8/5	3.5/5
S score	3.7/5	3.2/5
P score	3.7/5	3.4/5
I score	3.8/5	3.7/5
C score	3.8/5	3.4/5
E score	4.1/5	3.1/5

## Top 10

	Weight	SPICE rating	NEC
Schneider E.	5.5%	4.2/5	+13%
Veolia	5.5%	3.8/5	+52%
Infineon	3.6%	3.9/5	+15%
STMicroelec.	3.2%	3.9/5	+12%
Prysmian	3.2%	3.8/5	+28%
Arcadis	3.2%	3.8/5	+20%
ERG	3.2%	4.1/5	+94%
Vestas Wind Sys.	3.1%	4.0/5	+100%
E.ON	3.1%	3.2/5	+28%
Legrand	3.0%	4.3/5	+16%

## Performance contributors

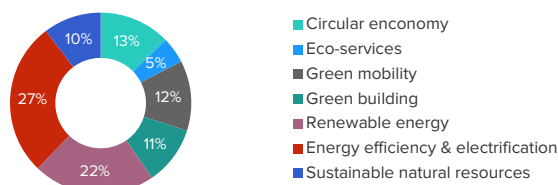
	Avg. weight	Contrib
<b>Positive</b>		
Neoen	2.8%	0.25%
ERG	2.9%	0.25%
Prysmian	3.2%	0.22%
<b>Negative</b>		
Nextracker	1.5%	-0.41%
Befesa SA	2.1%	-0.32%
Bravida Holding	0.9%	-0.27%

## Portfolio changes

Buy	Reinforcement	Sell	Reduction
Nemetschek	Renault	Ariston	Umicore
	Stora Enso	Afyren	Saint-Gobain
	Aurubis		Vestas



## Environmental thematics



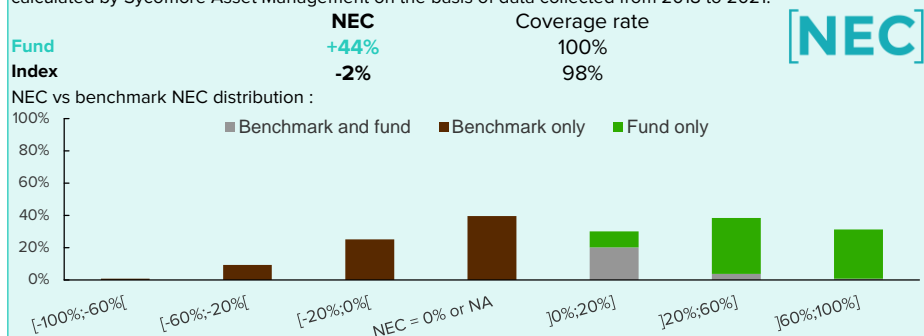
## ESG scores

	Fund	Index
<b>ESG*</b>	<b>3.8/5</b>	<b>3.3/5</b>
Environment	4.1/5	3.1/5
Social	3.7/5	3.3/5
Governance	3.7/5	3.5/5

## Environmental analysis

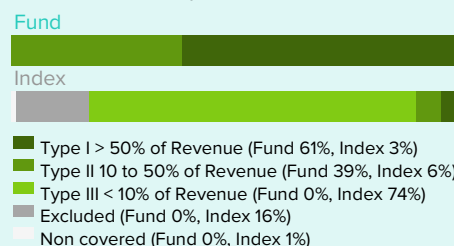
### Net Environmental Contribution (NEC)\*\*

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\*\*

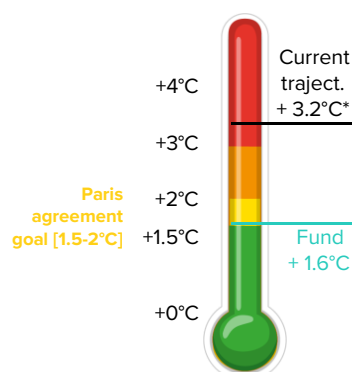
Companies breakdown according to their revenue generated by eco and excluded activities defined by [the Greenfin label](https://www.greenfinlabel.com)



### Temperature rising - SB2A

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

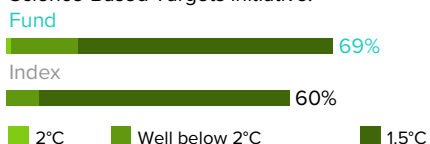
Coverage rate : fund 81%



\*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 96% / index 95%



### European taxonomy

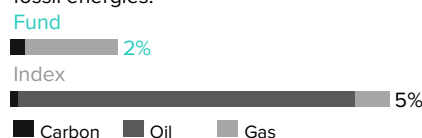
Percentage of revenues derived from eligible activities to the EU taxonomy

Coverage rate : fund 99% / index 99%



### 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.

Coverage rate : fund 95% / index 99%

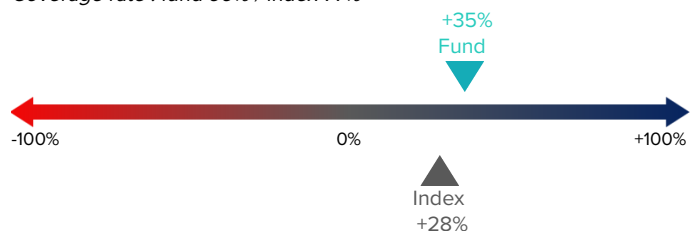


## Societal and social analysis

### 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 77%



### Staff growth

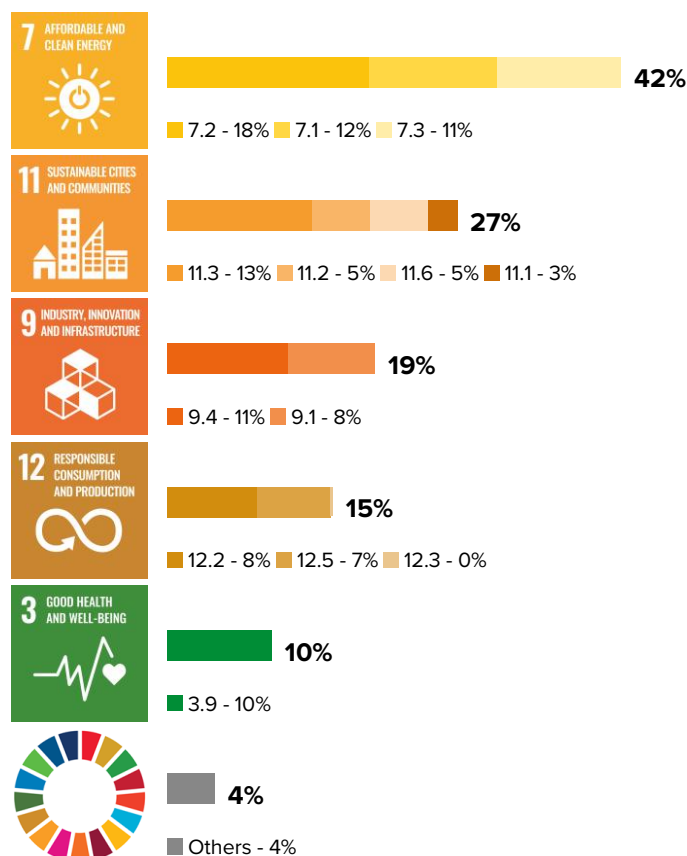
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).

Coverage rate : fund 98% / index 98%






## 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 : 10%**



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

#### Renault

During our meeting with management, we discussed the agreement signed with Management for the purchase of cobalt from the Bou Azzer mine, which should begin in 2025, for the procurement of 5,000 tons per year. According to Reporterre and several investigative journalists, this mine causes arsenic pollution and the diversion of water resources. Renault has commissioned an external audit. There is an ESG clause in the contract that would enable Renault to terminate the agreement if these suspicions are confirmed.

#### ESG controversies

**No comment**

#### Votes

**13 / 15** voted general assemblies over the month.

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

#### Spie

We shared our voting intentions with Spie ahead of the company's shareholders' meeting. We recommend capping the performance (and therefore the possible incentive pay) associated with the health & safety indicators featuring in the remuneration plan, in the event of a fatal accident occurring during the year.

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](http://www.sycomore-am.com).