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sycamore

europe éco solutions

MARCH 2024

Share I

Isin code | LU1183791281

NAV | 161.9€

Assets | 512.3 M€

SFDR 9

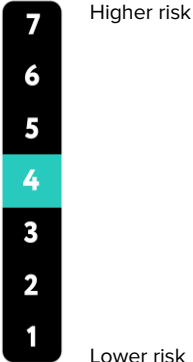
Sustainable Investments

% AUM: ≥ 80%

% Companies*: 100%

*Excluding derivatives, cash & equivalent

Risk indicator



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

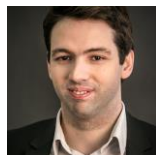
Warning : the actual risk can vary significantly if you cash in at an early stage and you may get back less.

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



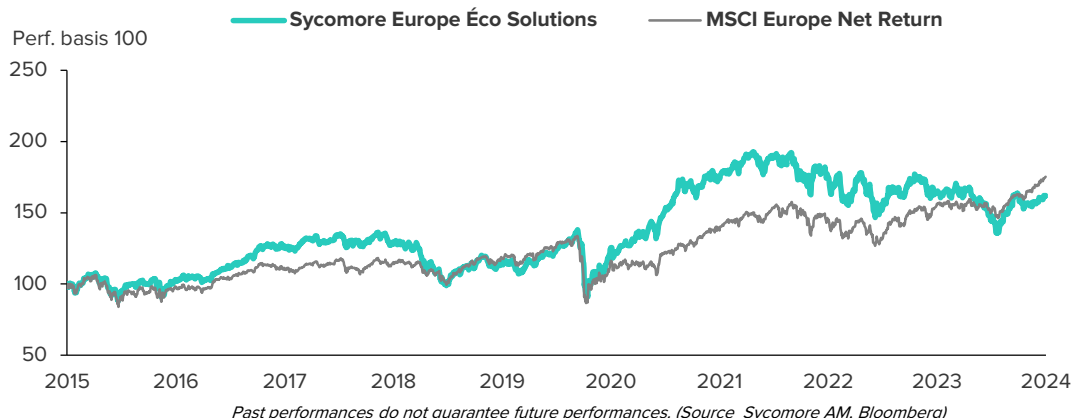
Germany

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 28.03.2024



	Mar	2024	1 year	3 yrs	5 yrs	Inc.	Annu.	2023	2022	2021	2020
Fund %	2.9	-1.1	-3.6	-6.7	43.9	61.9	5.8	1.6	-15.9	17.6	28.3
Index %	3.9	7.6	14.8	30.3	52.5	75.4	6.8	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	-10.4%	16.7%	14.1%	8.5%	-0.2	-1.3	-29.7%	-19.5%
Inception	0.9	0.9	-0.1%	16.7%	16.4%	8.1%	0.3	-0.1	-34.2%	-35.3%

Fund commentary

In March, investor attention switched back to inflation readings and interest rate trends. Two impactful themes for the strategy appear to be receiving growing attention: power infrastructure and data center electrification needs. The expansion of the power grid now has pride of place in the transition agenda. EoN, which we have added to the portfolio, has announced a substantial increase in its German grid investments and aims for 10% growth in these regulated activities by 2028. Furthermore, the demand for electricity driven by digitalisation, and notably data centers, now accounts for 2% of global power consumption according to the IEA and could fuel renewed interest for renewable generators, in addition to the existing boost in demand reported by providers of energy efficiency solutions and equipment, such as Schneider Electric. The renewables segment posted mixed returns this month. Neoen rose over 10% after publishing strong earnings, while Solaria continued to lag due to its regional exposure to low electricity prices. The stock was removed from the portfolio.



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

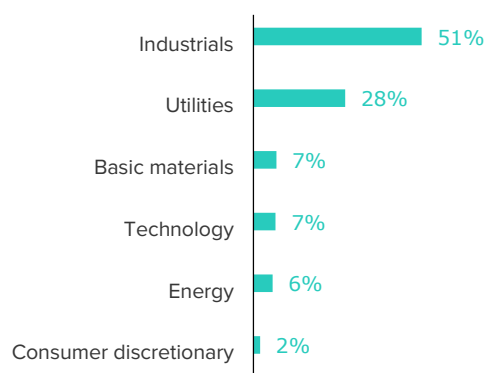
Transaction fees

None

Portfolio

Equity exposure	100%
Overlap with benchmark	5%
Number of holdings	50
Weight of top 20 stocks	63%
Median market cap	10.2 €bn

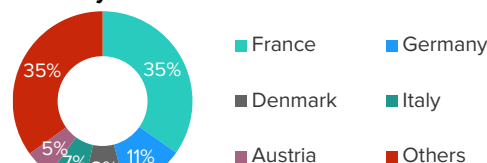
Sector exposure



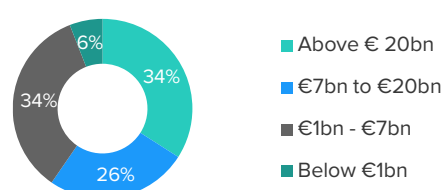
Valuation

	Fund	Index
Ratio P/E 2024	15.7x	13.7x
Croissance bénéficiaire 2024	4.2%	6.0%
Ratio P/BV 2024	1.9x	2.0x
Return on Equity	12.2%	14.4%
Rendement 2024	2.5%	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	3.5/5	3.1/5
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.	5.4%	4.2/5	+13%
Veolia	5.3%	3.7/5	+52%
Vestas Wind Sys.	3.5%	4.0/5	+100%
Arcadis	3.4%	3.7/5	+20%
Infineon	3.3%	3.8/5	+15%
Prysmian	3.3%	3.8/5	+28%
STMicroelec.	3.3%	3.8/5	+11%
E.ON	3.1%	3.1/5	+28%
Saint Gobain	3.1%	3.9/5	+16%
Legrand	2.9%	4.3/5	+16%

Performance contributors

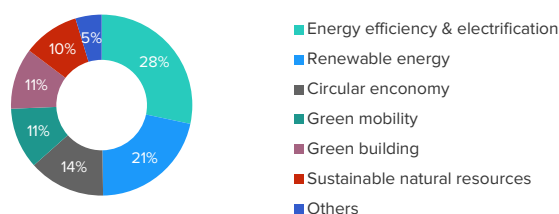
	Avg. weight	Contrib
Positive		
SPIE	2.7%	0.35%
SIG Group AG	2.6%	0.29%
Neoen	2.2%	0.26%
Negative		
ERG	2.9%	-0.23%
Infineon	3.4%	-0.17%
STMicroelec.	3.4%	-0.15%

Portfolio changes

Buy	Reinforcement	Sell	Reduction
Knorr Brem.	E.On	Solaria	Saint-Gobain
Renault	Neoen		Spie
	Aurubis		Alstom



Environmental thematic



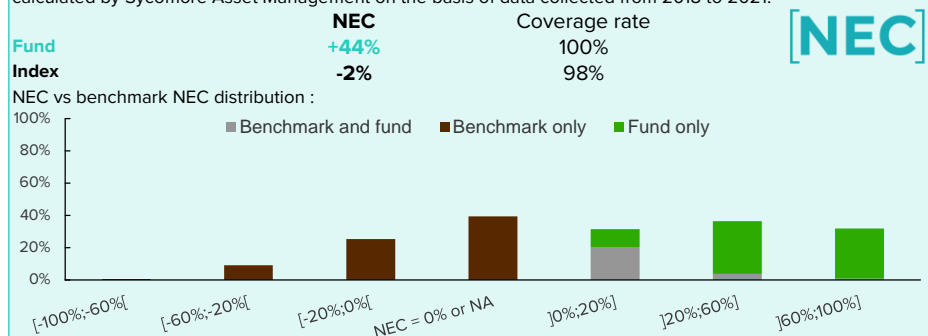
ESG scores

	Fund	Index
ESG*	3.8/5	3.3/5
Environment	4.1/5	3.1/5
Social	3.6/5	3.3/5
Governance	3.7/5	3.5/5

Environmental analysis

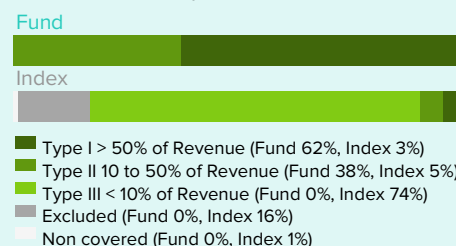
Net Environmental Contribution (NEC)**

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) scores calculated by Sycomore Asset Management on the basis of data collected from 2018 to 2021.



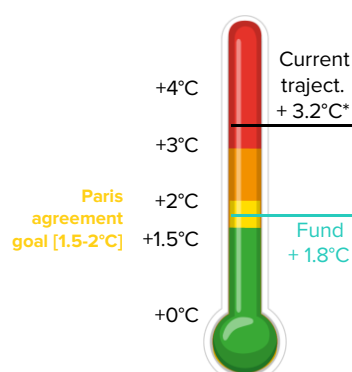
Greenfin Breakdown**

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



Temperature rising - SB2A

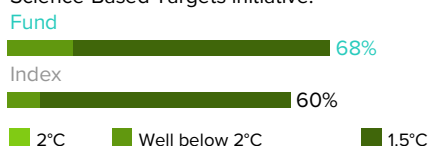
Induced average temperature increase by 2100 compared to pre-industrial times, according to the Science-Based 2°C Alignment methodology.
Coverage rate : fund 80%



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

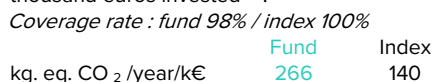
Climate alignment - SBTi

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



Carbon footprint

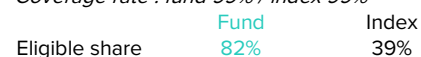
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per thousand euros invested***.



European taxonomy

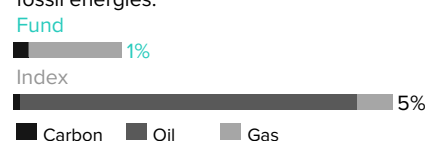
Percentage of revenues derived from eligible activities to the EU taxonomy

Coverage rate : fund 99% / index 99%



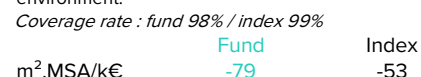
Fossil fuel exposure

Percentage of income derived from the three fossil energies.



Biodiversity footprint

Artificialised surface area in m² 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.

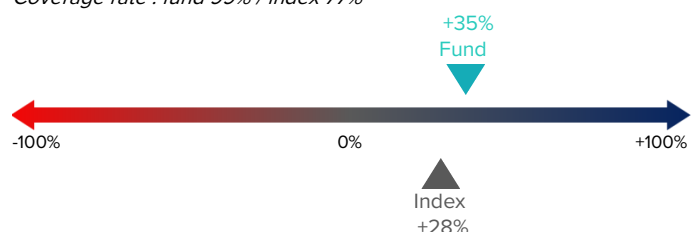


Societal and social analysis

Societal contribution

Contribution of the economic activity of companies to the resolution of major societal issues, on a scale from -100% to +100%.

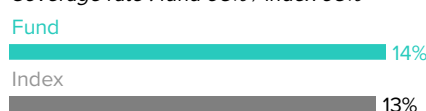
Coverage rate : fund 99% / index 77%



Staff growth

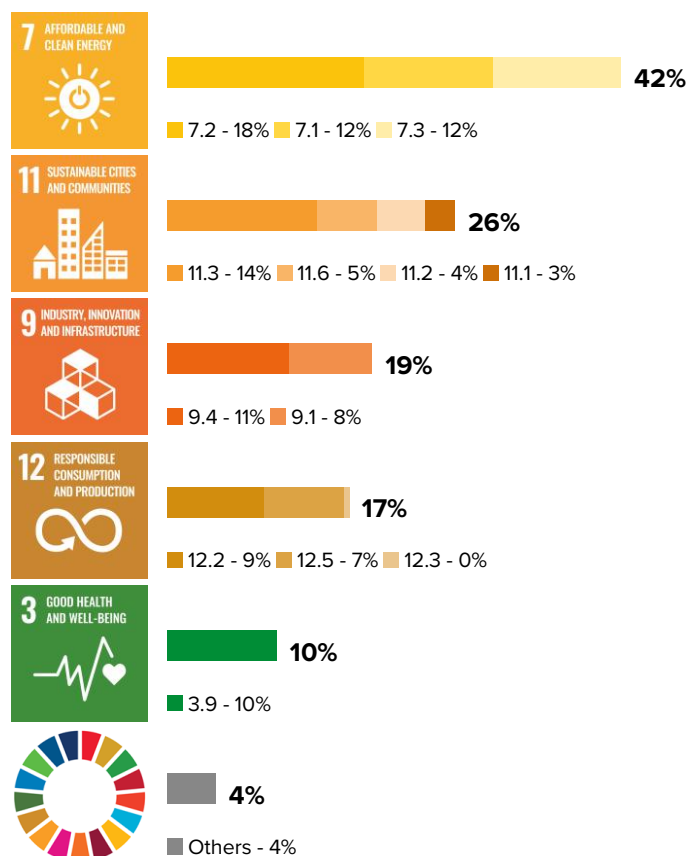
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).

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

Nexans

We met the Board of Directors ahead of the AGM and made several recommendations. These include: to submit a Say on Climate to the shareholders' vote; to expand on how the 30% recycled copper target for 2030 will be achieved; to set a new gender diversity target above the 25% goal already achieved and ensure that gender diversity applies to all levels within the company hierarchy. Nexans is working on these points for its next ESG roadmap.

ESG controversies

No comment

Votes

5 / 6 voted general assemblies over the month.

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

ERG

In its annual report, ERG now publishes its taxonomy-aligned capex (around 96%) in addition to its aligned revenue (62%).

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.