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sycamore

sélection responsable

SEPTEMBER 2022

Share A

Isin code | FR0013076452

NAV | 121.1€

Assets | 501.4 M€

European Sustainable Classification



SRRI

7

Higher risk leads potentially to higher returns

6

5

4

3

2

1

Lower risk leads potentially to lower returns

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

Investment Team



Cyril CHARLOT
Fund Manager



Olivier CASSE
Fund Manager



Bertille KNUCKEY
Fund Manager



Giulia CULOT
Fund Manager



France



Belgium



Austria



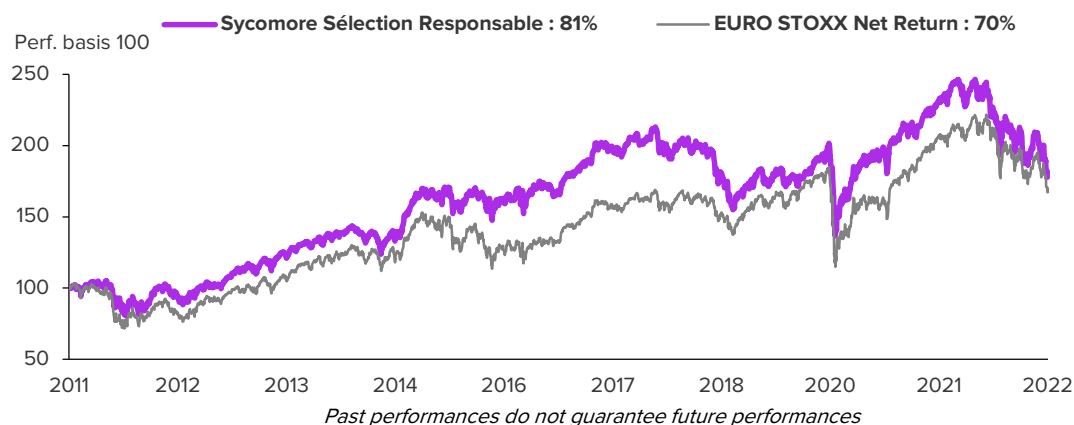
Germany

Investment strategy

A responsible selection of Eurozone equities based on proprietary ESG analysis

Sycamore Sélection Responsable is a conviction-driven fund which aims to deliver financial returns above those of the EuroStoxx Total Return index over a minimum investment horizon of five years, by applying a multithemed socially responsible investment process (energy transition, health, nutrition, digital, etc.) in keeping with the United Nations' Sustainable Development Goals. The fund mainly invests in the capital of quality Eurozone companies, which benefit from sustainable development opportunities and whose intrinsic valuation is believed to be above their stock market value.

Performances as of 30.09.2022



	Sep	2022	1 year	3 yrs	5 yrs	Inc. Annu.	2021	2020	2019	2018
Fund %	-6.3	-25.1	-21.5	1.8	-11.3	81.4	5.2	15.5	10.6	19.5
Index %	-6.2	-22.2	-17.6	0.8	4.6	69.5	4.6	22.7	0.2	26.1

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
3 years	1.0	0.9	0.1%	20.2%	22.7%	6.2%	0.0	0.1	-32.3%	-37.9%
Inception	1.0	0.8	1.2%	16.6%	19.4%	6.1%	0.3	0.1	-35.9%	-37.9%

Fund commentary

Consistently high inflation has led to a sharp increase in key interest rates across Europe and the United States and a surge in 10-year borrowing rates. Other developments made matters worse, including the escalating conflict between Russia and Ukraine (fake referendums for the annexation of several Ukrainian regions to Russia, massive call-up of Russian civilians), the downward revisions to economic growth for 2023, and political, economic, and financial tensions in the United Kingdom. This environment has had a deep impact on equity markets. The fund closed the month in line with its benchmark thanks to its under-exposure to most industrial sectors, which we have been trimming in recent months. In contrast, growth stocks derated as interest rates continued to rise.



Fund Information

Inception date

24/01/2011

ISIN codes

Share A - FR0013076452
Share I - FR0010971705
Share ID - FR0012719524
Share ID2 - FR0013277175
Share RP - FR0010971721

Bloomberg tickers

Share A - SYCSERA FP Equity
Share I - SYSEREI FP Equity
Share ID - SYSERED FP Equity
Share ID2 - SYSERD2 FP Equity
Share RP - SYSERER FP Equity

Benchmark

EURO STOXX Net Return

Legal form

Mutual fund

Domiciliation

France

PEA eligibility

Yes

Investment period

5 yrs

Minimum investment

100 EUR

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

12am CET Paris Time (BPSS)

Cash Settlement

J+2

Management fees

Share A - 1.50%
Share I - 1.00%
Share ID - 1.00%
Share ID2 - 1.00%
Share RP - 2.00%

Performance fees

15% > Benchmark

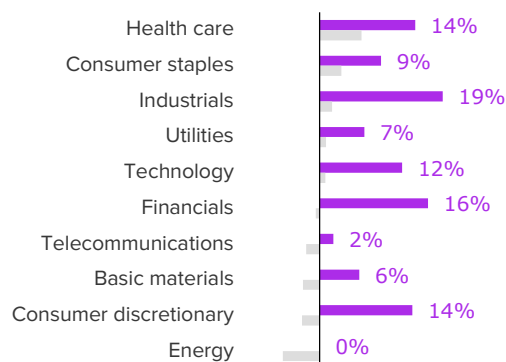
Transaction fees

None

Portfolio

Equity exposure	94%
Overlap with benchmark	33%
Number of holdings	61
Weight of top 20 stocks	52%
Median market cap	33.0 €bn

Sector exposure

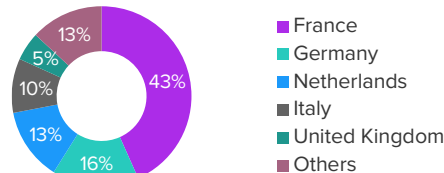


*Fund weight - weight EURO STOXX Net Return

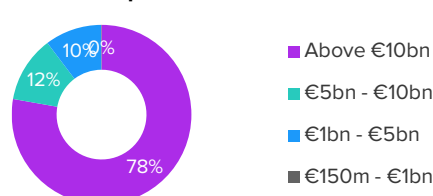
Valuation

	Fund	Index
2022 PER	14.4x	10.9x
2022 EPS growth	14.6%	15.7%
2022 P/BV ratio	1.8x	1.4x
Return on Equity	12.3%	12.7%
2022 Dividend Yield	3.2%	3.9%

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	3.2/5
P score	3.7/5	3.4/5
I score	3.9/5	3.6/5
C score	3.9/5	3.6/5
E score	3.5/5	3.2/5

Top 10

	Weight	SPICE score	NEC	CS
ASML	4.5%	4.2/5	+4%	27%
Air Liquide	3.6%	4.1/5	+1%	10%
Merck	3.1%	3.3/5	0%	66%
Sanofi	3.0%	3.2/5	0%	92%
AXA	3.0%	3.7/5	0%	35%
DSM	2.8%	3.8/5	-3%	20%
BNP Paribas	2.8%	3.3/5	+0%	12%
Schneider E.	2.8%	4.3/5	+11%	37%
Hermès	2.7%	4.1/5	-16%	-15%
L Oreal	2.6%	4.1/5	-5%	2%

Performance contributors

	Aver. weight	Contrib
Positive		
FinecoBank	1.6%	0.24%
Azelis	0.8%	0.12%
Munich Reinsurance	1.9%	0.05%
Negative		
ASML	4.6%	-0.49%
Kerry Group	2.3%	-0.27%
Smurfit Kappa	2.2%	-0.27%

Portfolio changes

Buy

Novo Nordisk
NN Group
Asr

Reinforcement

Legal&General
Air Liquide
Siemens H.

Sell

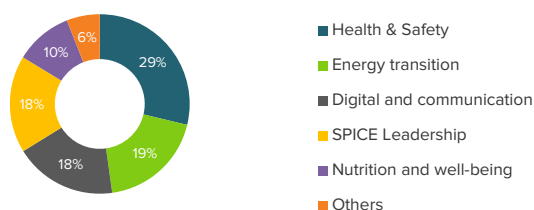
Polypeptide

Reduction

Sanofi
Hellofresh
Autoliv



Sustainability thematic



ESG score

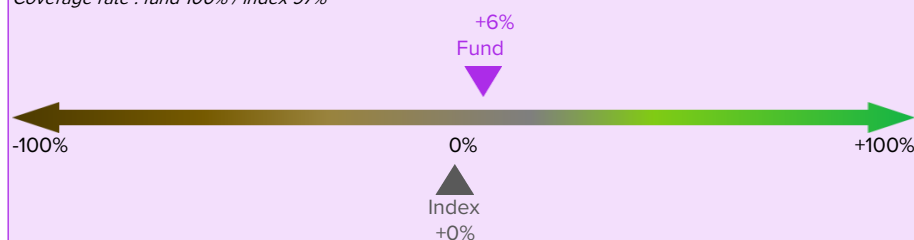
	Fund	Index
ESG*	3.6/5	3.3/5
Environment	3.5/5	3.2/5
Social	3.6/5	3.4/5
Governance	3.7/5	3.5/5

Environmental analysis

Net Environmental Contribution (NEC) **

Extent to which business models are aligned with the environmental transition, measured based on the net environmental contribution (NEC) that includes biodiversity and climate issues.

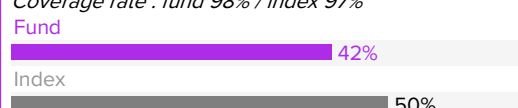
Coverage rate : fund 100% / index 97%



European taxonomy

Turnover percentage of companies eligible to UE taxonomy

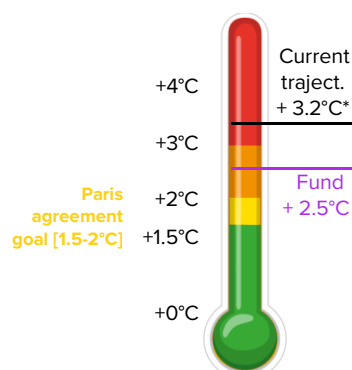
Coverage rate : fund 98% / index 97%



Temperature rising - SB2A

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

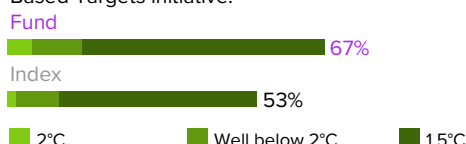
Coverage rate : fund 74%



*Selon le rapport AR6 WGIII Climate Mitigation Avril 2022, «Headline Statements from the Summary for Policymakers». <https://report.ipcc.ch/ar6wg3/pdf/IPCC>

Climate alignment - SBTi

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



Carbon footprint

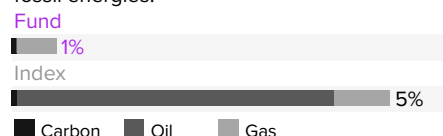
Annual greenhouse gas emissions (GHG Protocol) from upstream scopes 1, 2 and 3 per k€ invested***.

Coverage rate : fund 98% / index 98%

kg. éq. CO ₂ /year/k€	Fund	Index
	150	223

Fossil fuel exposure

Percentage of income derived from the three fossil energies.



Biodiversity footprint

Artificialized land surface (in m²) MSA of the Corporate Biodiversity Footprint, per k€ invested***.

Coverage rate : fund 89% / index 96%

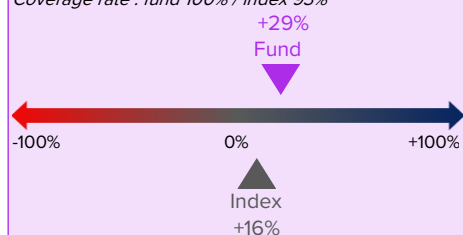
m ² .MSA/k€	Fund	Index
	73	77

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 93%



Human rights policy

Percentage of portfolio companies that have drawn up a Human Rights policy.

Coverage rate : fund 100% / index 98%

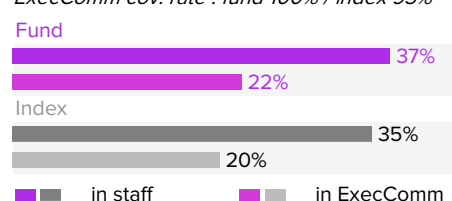


Gender equality ♀/ ♂

Percentage of women in total company headcounts and executive committees.

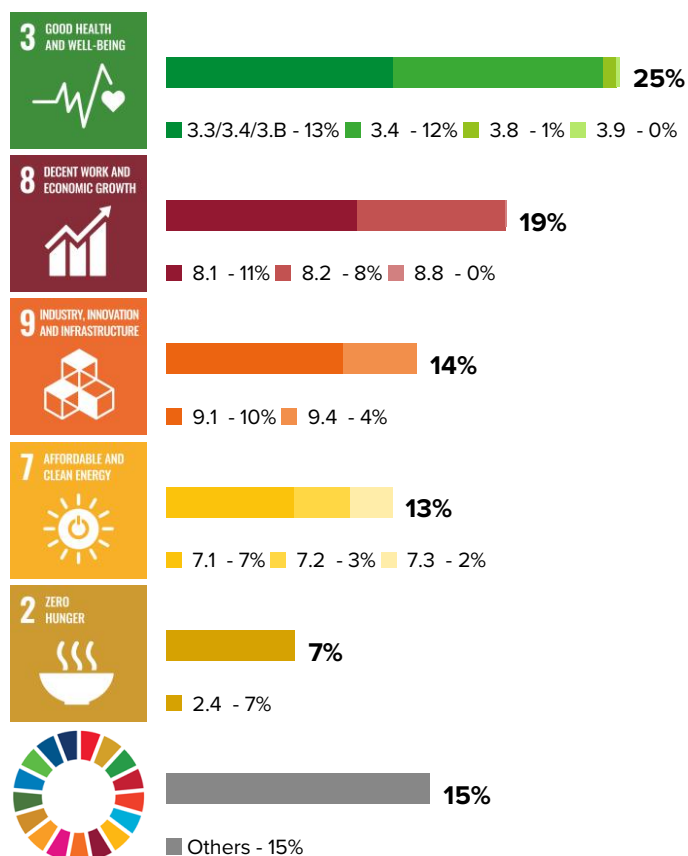
Staff cov. rate : fund 99% / index 97%

ExecComm cov. rate : fund 100% / index 93%





Sustainable development goals exposure



This chart represents the main UN's SDG exposures to its 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 : 21%

ESG follow-up, news and dialogues

Dialogues and engagements

Orange

Engagement with the IR team and top management on social risks, currently deemed to be high for Sycomore AM (see the ESG controversies section below).

Deutsche Telekom

Individual engagement - Objective: Disclose statistics on employees' access to training, in order to improve the group transparency on social topics.

ESG controversies

Orange

Social risks accrued in the context of the France Télécom appeal proceedings: 1/ Orange is in the process of recognising two suicides that took place in 2022 as "service accidents", 2/ the investigation associated with the social barometer was not carried out in 2021 despite the post-pandemic context and ongoing restructuring ("20,000 employee departures over the last 5 years) and 3/ the 5th three-yearly investigation into working conditions and stress showed several indicators deteriorated.

Fund management decision: Considering the severity of the actual and potential negative impacts on people and the lack of significant progress mitigating the aforementioned risks so far, we have decided to divest.

Votes

0 / 0 voted general assembly over the month.

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