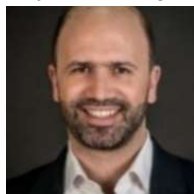# SYCOMORE GLOBAL EDUCATION RC

AN INTERNATIONAL SELECTION OF COMPANIES ENABLING LIFELONG QUALITY EDUCATION.

The management team is subject to change without notice.

Luca FASAN
Senior Portfolio Manager

Frédéric PONCHON
Senior Portfolio Manager

Sara CARVALHO DE OLIVEIRA
SRI Analyst

Sabrina RITOSSA FERNANDEZ
SRI Analyst

Sycomore Global Education is a global equity fund investing in companies that improve the reach, quality and affordability of education for learners of every age. The fund structure is based on 3 pillars: education providers (offering education services), education enablers (offering services to the learners) and education lifelong sponsors (providing education program to stakeholders). Stock picking is performed on the basis of thorough fundamental and ESG analysis. The fund aims to deliver returns above those of the MSCI AC World Net return index over a 5-year horizon.

SFDR 9
Label ISR

FUND INFO

NAV: 86.17 | Assets: €110.9 M

Inception date	PEA Eligibility	Cut-Off
29.03.2021	**No**	**D-11pm (BPSS)**
Benchmark	UCITS V	Cash settlement
MSCI AC World NR	**Yes**	**T+2**
ISIN	Pricing	Fixed mgmt fees
LU2309821804	**Daily**	**2.00%**
Bloomberg	Quote currency	Performance fees
SYSGERE LX Equity	**EUR**	**15% > Benchmark**
AMF classification	Investment horizon	Turnover fees
Not applicable	**5 years**	**None**

RISK AND REWARD PROFILE

Lower risk, potentially lower returns.

1	2	3	4	5	6	7

Higher risk, potentially higher retruns.

The fund does not guarantee returns or performance and might entail capital loss.

PERFORMANCE (as of 31.03.2022)   March: 3.3% | 2022: -8.8%

	March	2022	1 yr	3 yrs	5 yrs	Incep.	Annua.
Fund	3.3%	-8.8%	-14.1%	-	-	-13.8%	-13.8%
Bench.	3.1%	-3.3%	13.3%	-	-	13.6%	13.5%

GLOBAL EDUCATION : -13.8%
MSCI AC WORLD NR : 13.6% (Bench.)

Past performance is not a reliable indicator of future returns.

STATISTICS

	1 year	Inception
Correlation	-	0.83
Beta	-	0.95
Alpha	-	-26.3%
Volatility	-	13.7%
Vol. bench.	-	*12.0%*
Tracking Error	-	7.6%
Sharpe Ratio	-	-0.98
Info. Ratio	-	-3.57
Max Drawdown	-	-24.2%
Drawdown bench.	-	*-10.3%*

ESG FOOTPRINT

	Fund	
ESG	**3.3**	
Environment	3.3	
Social	3.4	
Governance	3.4	
Carbon footprint*	51	107

in t eq. CO_2/year/€m of capitalization

Net Environmental Contribution

Fund : 3%

The NEC – Net Environmental Contribution measures the extent to which business models are aligned with the environmental transition and with the targets set in relation to climate change. (NEC 1.0 calculated by Sycomore AM for years 2018 to 2020).
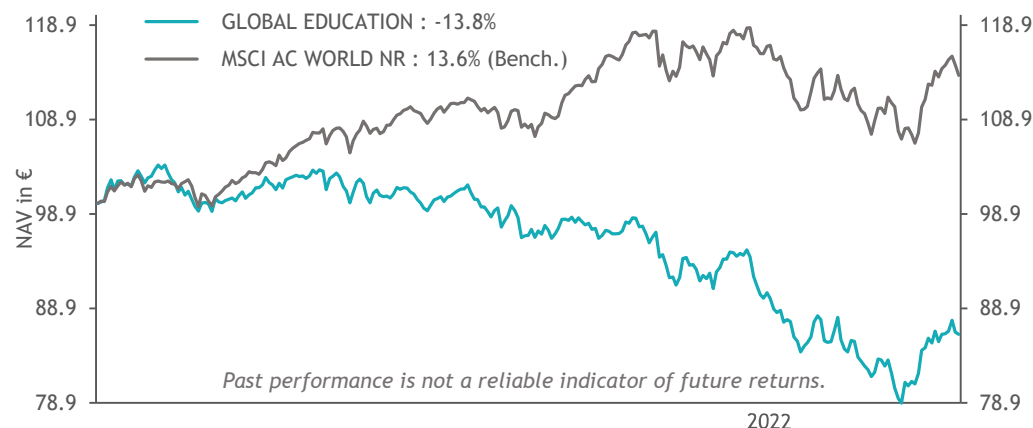
The ESG indicators of our portfolio holdings partly explain the fund's results, but are not the sole determining factor in driving performance over time.
*Ratio between scope 1, 2, and upstream scope 3 greenhouse gas emissions, as per the Kyoto Protocol, expressed in t eq. CO_2 per year (source Trucost, year Y-1 or Y-2) and the company's market value (year Y) expressed in millions €. Provided purely for information purposes. The figure does not take into account all of the company's emissions, downstream scope 3 emissions, and emissions that were avoided.

SYCOMORE GLOBAL EDUCATION RC

SYCOMORE AM

FUND COMMENTARY

In the first 10 days of March on the back of the volatility and uncertainty created by the war in Ukraine, both the fund and the Holon IQ Ed Tech Index underperformed the MSCI ACWI Index posting absolute negative returns around 6%. The announcement that Pearson was approached by PE firm Apollo with an offer to take private the company for a 30% premium helped to change the sentiment of the sector which outperformed equity indices and closed the month in absolute positive territory. We believe that the interest of PE in listed education asset could be a catalyst to increase interest to this thematic that has yielded mixed results for the past 12 months. On the fundamental side the reporting season has seen companies reporting solid results and guiding for growth in 2022. Valuation and solid fundamentals make us positive on education sector even if we still expect 2022 to be volatile on equity markets.

CONTRIBUTIONS

Positive	Wgt avg	Contrib.	Negative	Wgt avg	Contrib.
Pearson	5.3%	0.64%	Unilever	3.0%	-0.25%
2U	2.2%	0.56%	Instructure Hld	2.3%	-0.24%
IDP Education	1.8%	0.40%	Enel	2.0%	-0.20%

TOP 3 LARGE CAPS

Pearson	5.8%
RELX	5.7%
Microsoft Corp.	5.0%

PORTFOLIO CHANGES

Bought	Sold
Adobe Sys.	Relx
	Novartis
	Sodexo

TOP 3 SMID CAPS

John Wiley&Sons	6.2%
Stride	5.2%
Blackbaud	4.4%

PORTFOLIO

Net equity exposure	93%
Overlap with benchmark	27%
Number of holdings	46
Weight of top 20 stocks	65%
Median market cap	6.7 bn€

PILAR

- Education provider — 64%
- Lifelong education sponsor — 23%
- Education supporter — 13%

COUNTRY

- United States — 46%
- United Kingdom — 15%
- France — 10%
- Switzerland — 5%
- Italy — 3%
- Others — 20%
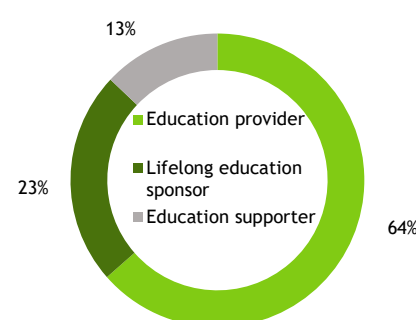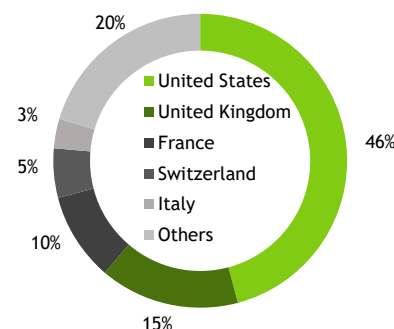
VALUATION RATIOS

PER 2022	19.8x
EPS growth 2022	10.7%
P/BV 2022	3.0x
Return on Equity 2022	15.1%
Dividend Yield 2022	1.6%

MARKET CAP

- Below €150 m — 5%
- €150 m - €1 bn — 37%
- €1-3 bn — 38%
- €3-20 bn — 19%
- Above €20 bn

SECTOR

- Consumer Discretionary — 51%
- Technology — 22%
- Industrials — 7%
- Health Care — 6%
- Financials — 5%
- Consumer Staples — 5%
- Utilities — 4%
- Telecoms — 1%
- Energy
- Basic Materials

Fund Weight
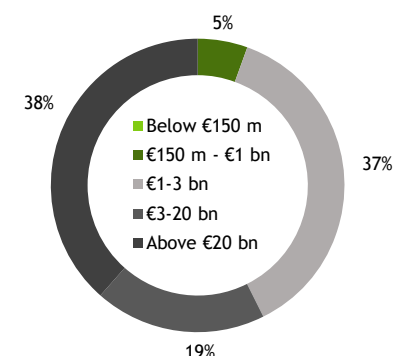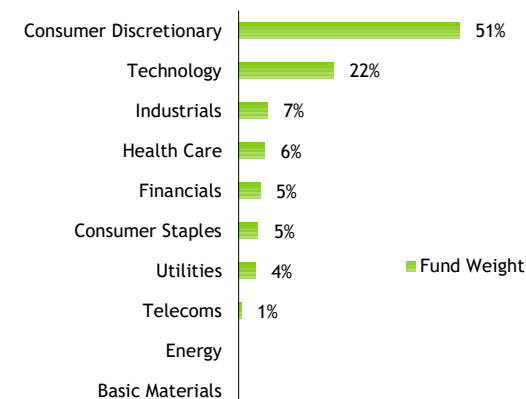
*Weight Global Education – Weight MSCI AC World NR