



sycamore
am

sycamore sustainable tech

SEPTEMBER 2022

Share IC

Isin code | LU2181906269

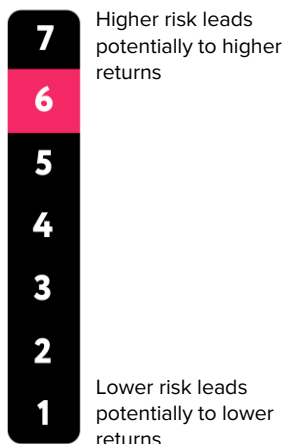
NAV | 94.3€

Assets | 131.0 M€

European Sustainable Classification

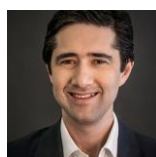


SRRI



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

Investment Team



Gilles SITBON
Fund Manager



Luca FASAN
Fund Manager



Marie VALLAEYS
SRI analyst



INITIATIVE TIBI

France

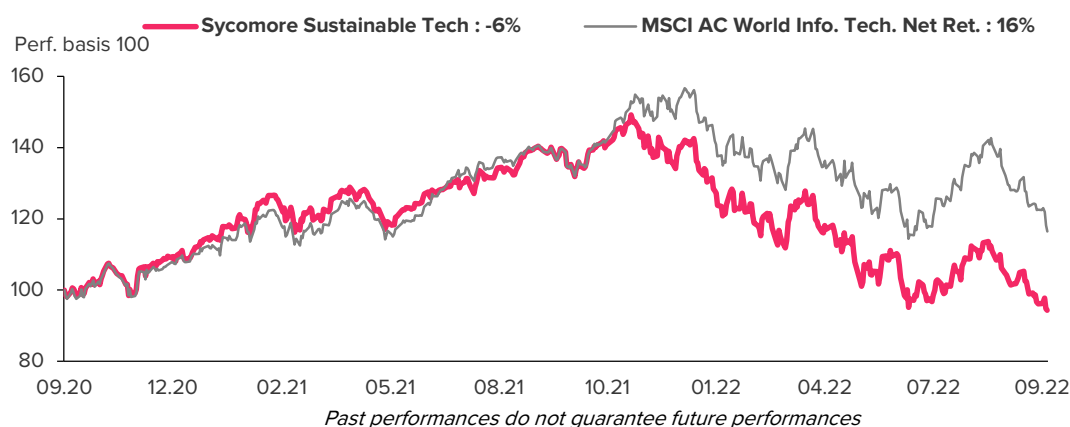
France

Investment strategy

A selection of global responsible technology players

Sycamore Sustainable Tech invests in technology companies listed on international markets and employs an innovative SRI process. Stocks are selected with no regional or market capitalisation constraints. The ESG approach focuses on three dimensions: 1- "Tech for Good": for goods and services with positive social or environmental impacts; 2- "Good in Tech": for a responsible use of goods and services that will reduce negative externalities impacting individuals or the environment; 3- "Improvement Enablers": companies engaged in making progress in the two previous dimensions.

Performances as of 30.09.2022



	Sep	2022	1 year	Inc.	Annu.	2021
Fund %	-8.4	-33.0	-30.1	-5.7	-2.8	22.1
Index %	-10.1	-24.4	-13.3	16.5	7.7	36.8

Statistics

	Corr.	Beta	Alpha	Vol.	Bench. Vol	Track. Error	Sharpe Ratio	Info Ratio	Draw Down	Bench. DD
1 year	0.9	1.0	-19.9%	27.7%	25.3%	9.7%	-1.1	-1.7	-36.8%	-27.0%
Inception	0.9	1.0	-9.9%	22.9%	21.4%	8.1%	-0.1	-1.3	-36.8%	-27.0%

Fund commentary

The surprising data on US core CPI and the gloomier message from the Fed has stopped the recovery of equity markets that occurred during the first half of September. The technology sector has continued to underperform global equity markets due to the uncertainty on economic growth and the potential risk of a recession. On the positive side during the month Salesforce.com has outperformed after confirming at the analyst day that margin will expand. At a portfolio level we have continued to reduce our exposure to small cap adding larger and more stable business models. We have added Hexagon (sensor, software and autonomous solutions) and Keysight (electronic design and testing solutions). During the month we launched an engagement with ServiceNow to make a public statement on ethical artificial intelligence and with Nokia to reach 30% women among executives.



Fund Information

Inception date

09/09/2020

ISIN codes

Share AC - LU2331773858
Share FD - LU2211504738
Share I-USD - LU2181906186
Share IC - LU2181906269
Share R - LU2181906426
Share RD - LU2181906699

Bloomberg tickers

Share AC - SYSTAEA LX Equity
Share FD - SYSSTFE LX Equity
Share I-USD - SYSTIUC LX Equity
Share IC - SYSTIEC LX Equity
Share R - SYSTREC LX Equity
Share RD - SYSTRED LX Equity

Benchmark

MSCI AC World Info. Tech. Net Ret.

Legal form

SICAV compartiment

Domiciliation

Luxembourg

PEA eligibility

No

Investment period

5 yrs

Minimum investment

None

UCITS V

Yes

Valuation

Daily

Currency

EUR

Cut-Off

11am CET Paris (BPSS LUX)

Cash Settlement

J+2

Management fees

Share AC - 1.50%
Share FD - 0.75%
Share I-USD - 1.00%
Share IC - 1.00%
Share R - 2.00%
Share RD - 2.00%

Performance fees

15% > Benchmark

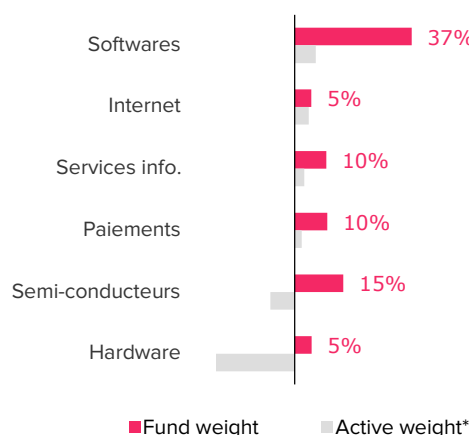
Transaction fees

None

Portfolio

Equity exposure	95%
Overlap with benchmark	33%
Number of holdings	47
Weight of top 20 stocks	59%
Median market cap	50.0 €bn

Sector exposure

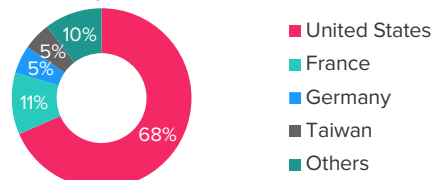


*Fund weight - weight MSCI AC World Info. Tech. Net Ret.

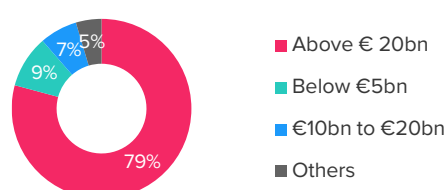
Valuation

	Fund	Index
2022 PER	21.5x	18.9x
2022 EPS growth	14.1%	8.7%
2022 P/BV ratio	3.7x	4.8x
Return on Equity	17.1%	25.2%
2022 Dividend Yield	1.0%	1.3%

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	3.5/5
S score	3.3/5	2.8/5
P score	3.6/5	3.3/5
I score	3.8/5	3.9/5
C score	3.7/5	3.3/5
E score	3.3/5	3.3/5

Top 10

	Weight	SPICE score	NEC	CS
Microsoft Corp.	9.7%	4.1/5	+5%	36%
MasterCard	5.0%	4.0/5	+7%	33%
Taiwan Semi.	4.5%	3.6/5	+1%	21%
Palo Alto	3.7%	3.5/5	0%	35%
Equinix	2.6%	3.5/5	+16%	29%
Capgemini	2.5%	3.7/5	+2%	11%
Splunk	2.5%	3.6/5	0%	44%
Worldline	2.5%	3.8/5	0%	42%
Nokia	2.4%	3.3/5	+4%	24%
Synopsys	2.3%	3.6/5	0%	32%

Performance contributors

	Aver. weight	Contrib
Positive		
CyberArk Software	2.4%	0.13%
Chegg	1.2%	0.13%
Infrastructure	1.2%	0.02%
Negative		
Taiwan Semi.	5.3%	-0.83%
Microsoft Corp.	10.9%	-0.69%
MasterCard	5.8%	-0.54%

Portfolio changes

Buy	Reinforcement	Sell	Reduction
Cisco Systems	Servicenow	Adobe Systems	Alight
ADP	Nokia	Nvidia	Nagarro
Gartner	Intuit	Viaplay	Salesforce



Responsible Tech Dimensions

	Tech For Good CS ≥ 10% or NEC > 0%	Good in Tech Client risk score ≥ 3/5	Progress catalyseur SD* Management score ≥ 3/5
Number of holdings	41	43	40
Weight	86%	88%	85%

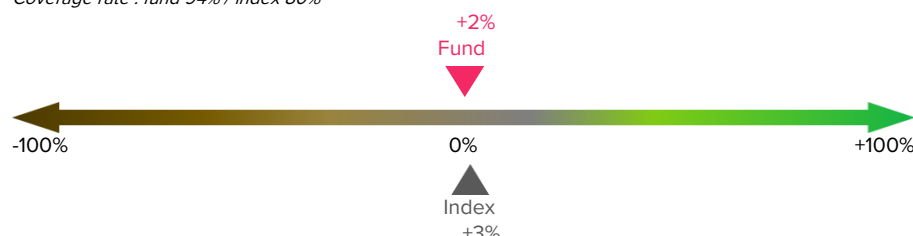
*SD : Sustainable development

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 94% / index 80%

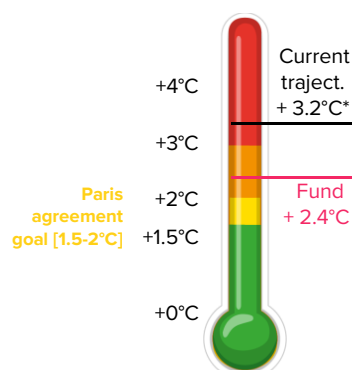


NEC 1.0 calculated by Sycomore AM according to the 1.0 nec-initiative.org based on data from 2018 to 2021. 0% refers to the global average level.

Temperature rising - SB2A

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

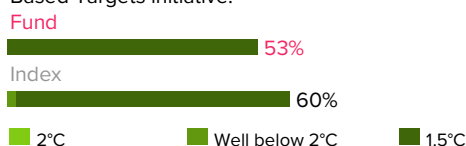
Coverage rate : fund 21%



*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

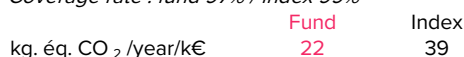
Share of companies that have validated their greenhouse gas reduction targets with the Science-Based Targets initiative.



Carbon footprint

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

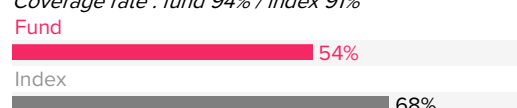
Coverage rate : fund 97% / index 99%



European taxonomy

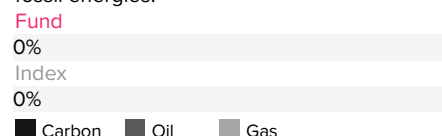
Turnover percentage of companies eligible to UE taxonomy

Coverage rate : fund 94% / index 91%



Fossil fuel exposure

Percentage of income derived from the three fossil energies.

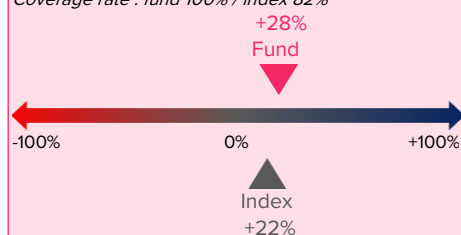


Societal and social analysis

Societal contribution**

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

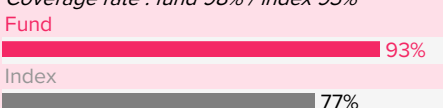
Coverage rate : fund 100% / index 82%



Human rights policy **

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

Coverage rate : fund 98% / index 93%



Staff growth

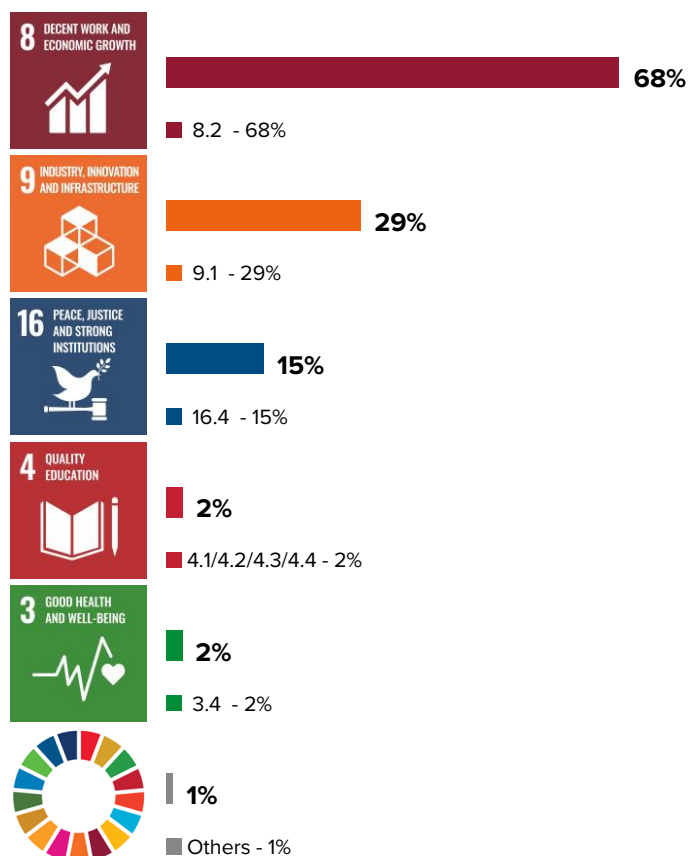
Cumulated growth in company headcounts over the past three financial years (data unadjusted in the event of acquisitions, excluding transformational deals).

Coverage rate : fund 97% / index 90%





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 : 2%

ESG follow-up, news and dialogues

Dialogues and engagements

ServiceNow

Collaborative engagement to call for the publication of an ethical charter on artificial intelligence within the group.

Nokia

Individual engagement - Initiated a dialogue with Nokia in order to increase the percentage of women in the executive board to reach 30%.

ESG controversies

HelloFresh

The US Food and Drug Administration issued a health warning concerning ground beef that may have been contaminated with *Escherichia coli*.

Votes

0 / 0 voted general assembly over the month.

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