

sycamore

Europe Éco Solutions

Sustainability Performance and Shareholder Engagement Report

This report describes the fund's investment process, its sustainability performance and its shareholder engagement in 2023, as required by the SRI label created and supported by the French Ministry of Economics and Finance.



The FCP fund comes with no guarantee of earnings or performance and carries a risk of loss of principal. Before investing, please see the Key Information Document for the UCITS, available on our website: www.sycamore-am.com. Report pertaining to 2023. To learn more about Sycamore AM's sustainability approach, please see our related policies and strategies on our [website](#) and read the sustainability report published by the asset management company, as required by Article 29 of France's Energy and Climate Law. The indicators are based on companies' most recently published data (2022 or 2023 in most cases). The ESG performance reported in this document is that of companies in which the fund owned shares at 29 December 2023 and does not represent the fund's direct contribution to this performance. SRI labels help retail investors to identify responsible and sustainable investment strategies. These labels serve as a guide for investors but are no guarantee on the capital invested and do not certify the quality of investment management strategies implemented within the fund. ¹ Sustainable Finance Disclosures Regulation – Under the SFDR, an "Article 9" fund is a fund that has a sustainable investment objective.

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01 The fund's investment philosophy

The **Sycamore Europe Éco Solutions** fund is invested in **European** listed companies of all capitalisation sizes. It only includes those whose **business models contribute to the ecological transition**, which is assessed based on their Net Environmental Contribution (NEC).

The fund can invest in a **wide range of areas**: **renewable energy**, energy efficiency and **electrification, mobility**, natural resources, renovation and **construction, circular economy, food**, and **eco-services**. It excludes companies whose activities significantly destroy biodiversity or contribute to global warming or whose environmental, social and governance rating is too low.

The fund has several objectives:



It aims to **outperform the MSCI Europe NR index** over an investment horizon of five years.



It pledges to **remain exclusively invested in sustainable companies**, as defined by the [SFDR](#), at all times (i.e. 100% of sustainable shares in the invested portion of the fund).



It aims to **outperform its benchmark index** at all times in terms of [Net Environmental Contribution](#) (NEC) and [green share](#).

Eligible companies are subjected to a rigorous selection process based on a **fundamental analysis using Environmental, Social and Governance (ESG) criteria** and our **SPICE²** model. The analysis applies the European Commission's concept of double materiality: as such, it covers risks that are material to the company's business value, as well as the negative social or environmental impacts of its business activities on its stakeholders.

The fund's sustainability objective is to **seek positive social and environmental impacts** by supporting portfolio companies. This takes place at three levels:

- 1. Intentionality:** The stock selection and portfolio construction processes described below draw on the Net Environmental Contribution (NEC), which measures the financed **business models' contribution to the ecological transition**, including climate and biodiversity issues. The fund aims to outperform its benchmark index for this indicator by selecting issuers with an NEC of +10% or higher. Both the selection criteria and the environmental indicators to outperform directly reflect the intention of the fund.
- 2. Additionality:** Promoting best practices, through our **shareholder engagement**, drives companies to improve their performance. Furthermore, the development of the NEC helps to channel more capital towards solutions that support the ecological transition, a segment of the economy that still lacks significant investment³.
- 3. Measurement:** The NEC **measures the positive or negative environmental contribution of individual businesses compared to the average environmental impact of each activity**. A positive NEC indicates a contribution to a lower-carbon world and a greater respect for natural capital. This indicator measures the alignment of our investments with the fund intention and positions them against the benchmark index. Chapter 2 presents the portfolio's Net Environmental Contribution, along with other indicators of the fund's sustainability performance, and our investments' exposure to SDGs.

²SPICE stands for Society & Suppliers, People, Investors, Clients and Environment. For details on the information taken into account in our SPICE fundamental analysis model, see our [ESG Integration Policy](#).

³ See the International Energy Agency (IEA) and Intergovernmental Panel on Climate Change (IPCC).

1.1

Our definition of a sustainable investment

In anticipation of the entry into force of the SFDR's Regulatory Technical Standards (RTS) on 1 January 2023, Sycamore AM introduced a **common definition of a sustainable investment** to be used for every investment universe. The definition aligns with the one provided in the SFDR⁴ and has three main components:

1 Identifying investments that make a positive contribution to the environmental and social issues listed in the definition.

- Since 2015, Sycamore AM has rolled out **two metrics** assessing the ability of a company's **products and services** to meet environmental and societal challenges, such as access to renewable energy, effective management of resources, and access to healthcare: the **Net Environmental Contribution** and the **Societal Contribution** of products and services.
- In partnership with The Good Economy, we have also developed a metric called **The Good Jobs Rating**, which assesses a company's ability to create **long-term, high-quality jobs that are accessible to all, especially in regions where the people need them most.**
- Lastly, our **human capital assessment**, Happy@Work, has been in use since 2015 to identify the companies that provide a particularly **favourable environment for employee development.**

An investment is identified as having a positive contribution if meets the minimum score for **at least one of the four metrics.**

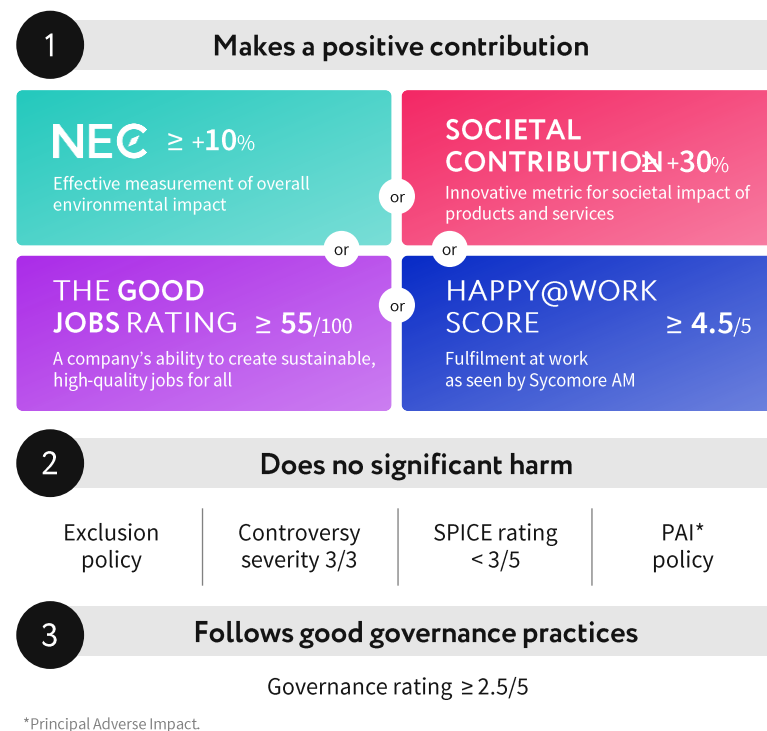
2 Avoiding investments that may cause significant adverse impacts

We rely on our existing **exclusion** and **controversy management policies**, our **SPICE** fundamental analysis model based on **ESG** criteria, and our **Principal Adverse Impact** policy published in 2023.

3 Ensuring the implementation of good governance practices

An investment must meet a minimum score before it can be accepted as sustainable.

This definition can be summarised as follows:



Selectivity

In accordance with the strategy adopted for Sycamore Europe Éco Solutions, only those investments that meet an environmental objective are considered to be sustainable.

⁴The SFDR defines a "sustainable investment" as follows: "An investment in an economic activity that contributes to an environmental objective, as measured, for example, by key resource efficiency indicators on the use of energy, renewable energy, raw materials, water and land, on the production of waste, and greenhouse gas emissions, or on its impact on biodiversity and the circular economy, or an investment in an economic activity that contributes to a social objective, in particular an investment that contributes to tackling inequality or that fosters social cohesion, social integration and labour relations, or an investment in human capital or economically or socially disadvantaged communities, provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, in particular with respect to sound management structures, employee relations, remuneration of staff and tax compliance."

1.2 Our ESG screening and selection criteria



Exclusion of significant sustainability risks or adverse sustainability impacts

The screening criteria aim to exclude companies with significant sustainability risks or adverse sustainability impacts, based on the European Commission’s concept of double materiality. A company is therefore ineligible for the fund in the following circumstances:

- If it deals in activities excluded by our **SRI Exclusion Policy** for its controversial social or environmental impacts
- If its **governance practices** are deemed insufficient according to our exclusion policy
- If it has been excluded according to our **PAI policy**
- If its **SPICE** rating is less than 3/5.



Inclusion of positive environmental contributions

Our stock selection process is aimed at identifying companies whose **products and services make a positive contribution to the ecological transition, which is measured by an NEC of +10% or higher** for each individual stock in the portfolio. This criterion supports companies that provide sustainability solutions through a positive environmental contribution in line with the SDGs, the Paris Agreement, and the EU Taxonomy.

The **NEC** is a holistic environmental indicator that measures how a company’s business model, products and services drive the ecological transition by meeting challenges regarding the climate, biodiversity, waste and resource management, water and air quality. It ranges on a scale from **-100%** for activities that are highly destructive of natural capital to **+100%** for activities with a highly positive net environmental impact. In the middle of the scale, **0%** represents the average environmental impact of the world economy⁵.

⁵For more information on the Net Environmental Contribution, visit the [NEC Initiative](#) website.



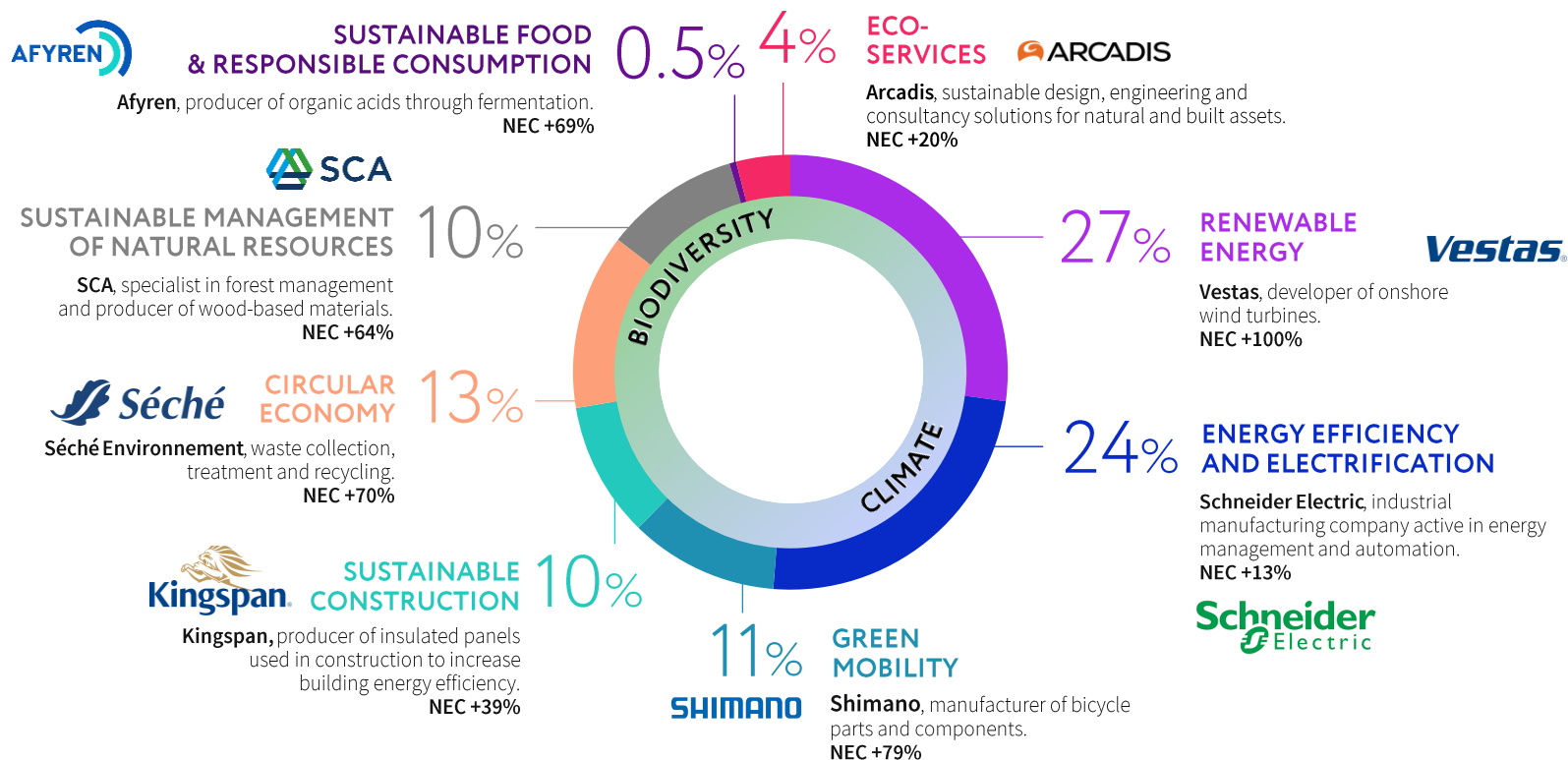
* Set of more than 3,000 stocks analysed by our team of financial and non-financial analysts.

1.3 An investment universe with multiple themes

Ecological and energy transition players

The investment universe is made up of a **vast ecosystem of companies** offering products and/or services that drive the **changes needed** to meet the many challenges associated with the ecological and energy transition. These issues are inter-related – **climate, biodiversity, water, waste and resource management, air quality** – and affect the way we spend, travel, produce and live together.

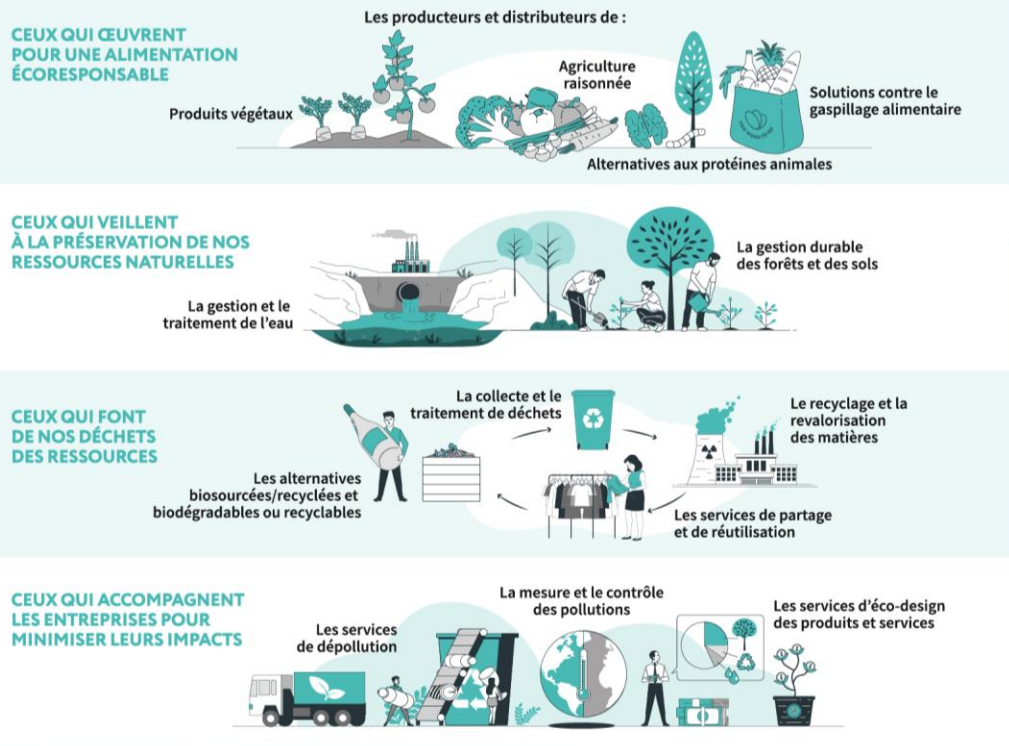
An entire value chain is at work for each major project. This value chain is made up of the players that design sustainable and responsible solutions, but also those that contribute to implementing these solutions and their long-term operation.



1.3 An investment universe with multiple themes

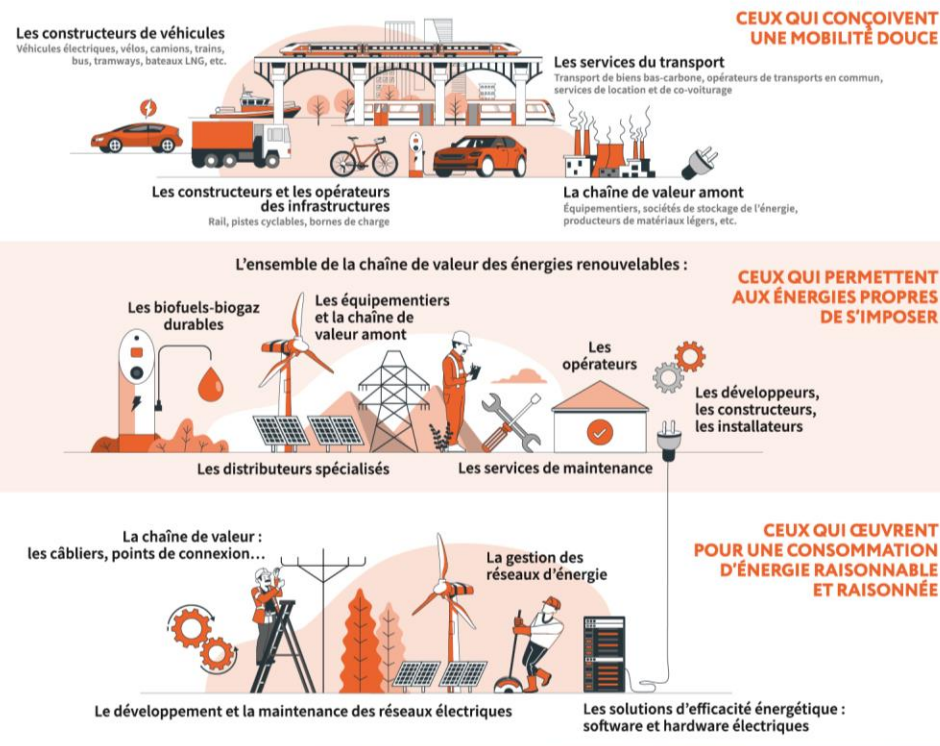
SUSTAINABLE RESOURCE MANAGEMENT

A growing number of companies are now taking action to improve the management of our natural resources and to encourage a more rational use of this natural capital.



ENERGY TRANSITION

The energy transition requires reasonable and efficient energy consumption and greater reliance on clean and renewable energy sources, as well as power grids able to incorporate and manage these energy sources and optimise energy flows.



CEUX QUI RÉINVENTENT NOS MAISONS À TOUS LES ÉTAGES



1.4

Our sustainability risk management



First, to limit the fund's exposure to sustainability risks associated with controversial activities with significant adverse social or environmental impacts, we apply our **SRI Exclusion Policy** and **industry exclusions specific to the fund's label** or certification.

Exclusions include controversial and conventional **weapons, tobacco, pesticides, pornography, violations of UN Global Compact Principles, fossil fuels** (conventional and unconventional coal, oil and gas) and, more broadly, **carbon-based electricity generation**. Most exclusions are determined by applying strict criteria based on the exposure of company revenue.



Next, the fund's exposure to sustainability risks is managed by requiring a **minimum SPICE rating (3/5)**. The SPICE analysis model takes into account the two inextricably linked concepts of **sustainability risks and impacts**. Through its 90 underlying criteria, SPICE analyses the company's exposure to and management of sustainability risks, including risks relating to **business ethics, taxes, human rights, working conditions**, the **subcontracting** chain, environmental disasters, the **ecological and energy transition, personal data protection**, and more.

Our SPICE model also covers the **principal adverse impacts**, especially the **SFDR's 14 mandatory PAI indicators** applicable to business organisations, based on their materiality to each company's operations and footprint and the availability of relevant data. For more information, see our [Principal Adverse Impact Policy](#).



Lastly, we sometimes manage companies' exposure to sustainability risks **through our Shareholder Engagement Policy**, which consists in encouraging companies to progress in areas considered to be material, in accordance with our additionality principle.

The overall sustainability risk management framework is adjusted as our methodologies evolve and data becomes available. This framework is systematically reviewed no less frequently than every two years.

Focus on managing biodiversity and climate change risks

Environmental sustainability risks are assessed as part of all our fundamental analyses, in the Environment pillar of our SPICE model. A score out of 5 reflects a company's management of transition risks, physical risks, and risks of biodiversity loss. Each of these assessments covers:

- the four main pressures driving biodiversity loss, as stated by the IPBES⁶ in 2019: changes in **land and sea use, direct exploitation of organisms, climate change, and pollution**
- the **entire value chain**, i.e. Scopes 1, 2 and 3, both upstream and downstream, as long as they have a significant impact.

Details on our environmental sustainability risk management are provided in Chapter 3 of our [Natural Capital Strategy](#).



⁶ Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES): an independent body established in 2012 and institutionally linked to the United Nations Environment Programme (UNEP), the United Nations Development Programme (UNDP), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and the Food and Agriculture Organization of the United Nations (FAO).

1.5

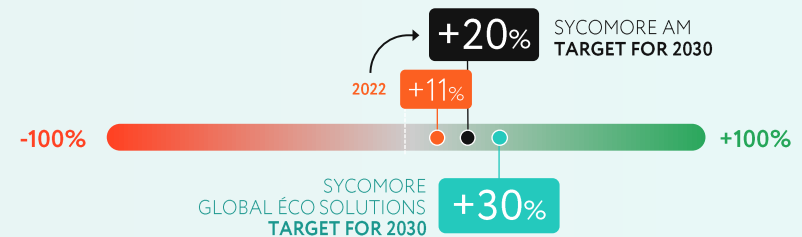
Our climate and biodiversity alignment strategy

In 2022, we defined a **quantified pathway to 2030 for our asset management company**. We also set new milestones in terms of climate and biodiversity. Our strategy aligns with three sets of standards: **Article 29** of France's **Energy and Climate Law**, which came into force in 2021; our approach as a certified **B corporation** since 2020; and the commitments we made to the **Science Based Targets initiative** in 2021.

A quantified climate and biodiversity pathway

We defined our pathway using the **Net Environmental Contribution (NEC)**, a holistic environmental indicator covering the **main environmental impacts**: namely, impacts on the **climate**, on **biodiversity** and on **resources**. The NEC is based on a universal standard scale ranging from **-100%** to **+100%**, with 0% representing the average of the world economy. It applies to **all business lines** and **all asset classes**.

To reach our company's mission to **increase our investments' contribution to the ecological transition**, we have set the target for **Sycamore AM** to increase our NEC to **+20%** by 2030 (from +11% in 2022).



The alignment strategy for **Sycamore Europe Éco Solutions** is to maintain the **fund's NEC** at **+30% or higher** until 2030.



The climate component of the NEC represents between 0% and 100% of the metric, depending on the company's operations, for an average weight of 50%. As a complement to the NEC, we use **two methods** to assess a **company's alignment** with the **Paris Agreement**, especially the target of limiting global warming to well below 2°C compared to pre-industrial levels, by 2100:

1. The implied temperature rise calculated using the **Science-Based 2°C Alignment** method and expressed in degrees Celsius
2. The share of our net assets invested in companies that have set targets approved by the **Science Based Targets initiative**



We are exploring the use of Iceberg Data Lab's **Corporate Biodiversity Footprint** to quantifiably and more accurately measure the overall absolute impact of our investments on biodiversity. This metric provides a model of companies' biodiversity footprint based on their main **sources of pollution**:

- land use
- greenhouse gas (GHG) emissions
- air pollution and water pollution

02 The fund's sustainability performance

The fund's sustainability performance is assessed by several indicators. Some of these are used as **selection criteria in investment decisions** and/or for setting **targets for benchmark outperformance**. Other indicators presented here are not linked to the fund's selection criteria. Their values can fluctuate upwards or downwards from one year to the next, depending on the companies in the portfolio.

OBJECTIVES

Provide an overall view of the fund's ESG positioning

Assess achievement of positive contribution targets and measure ESG performance

INDICATORS TRACKED

E	Share of sustainable investments	99%
	Weighted SPICE rating	3.8/5
	Exposure to SDGs	7 (44%); 11 (25%); 9 (18%)
S	Net Environmental Contribution	+47%
	Greenfin type I & II companies	100%
	EU Taxonomy (aligned)	40%
	SB2A climate alignment	1.7°C
	SBTi climate alignment	62% <2°C
	Carbon intensity of electricity	7 gCO ₂ /kWh
	Exposure to fossil fuels	1%
	Carbon footprint	247 tCO ₂ e/€M
	Biodiversity footprint	-75m ² .MSA/k€ invested
	G	Societal Contribution
Growth in staff		17%
Human rights policy		90%
	Women on executive committees	22%

Some of these performance indicators were developed by Sycomore AM (Societal Contribution of products and services, The Good Jobs Rating), while others are raw indicators from external sources and companies' annual reports (growth in staff, women on the executive committee, human rights policy, etc.). The NEC was co-developed by Sycomore AM and is currently developed by the NEC Initiative.

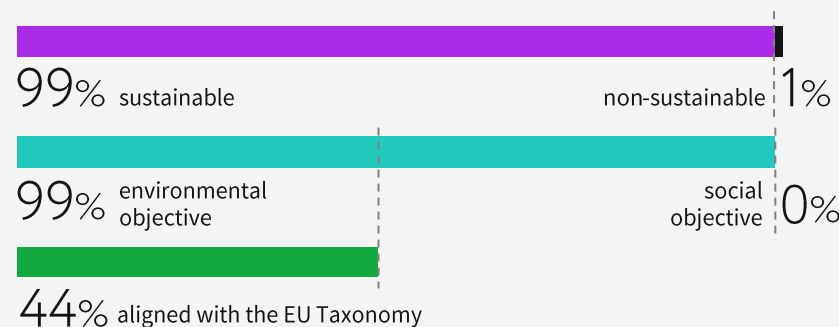
For more information on reporting methodologies and data sources, see our [reporting protocol](#).

2.1 Sustainable investments

At the end of 2023, sustainable investments⁷ accounted for **99%** of the Sycomore Europe Éco Solutions fund's net assets (48% for the benchmark index) and **100% of the fund's investee companies**, in line with the target set in the prospectus as of 1 January 2023. The fund's non-sustainable investments included cash.

All of the sustainable investments were focused on **environmental issues**, with companies such as Vestas in renewable energy, Kingspan in sustainable construction, Shimano in non-motorised mobility, and Séché Environnement in the circular economy.

BREAKDOWN OF SUSTAINABLE INVESTMENTS IN THE FUND AT 29 DECEMBER 2023⁸



Fund exposure of 99% at 29 December 2023

⁷ For more information on our definition of a sustainable investment, see our [ESG Integration Policy](#).

⁸ For more information on our response to SFDR reporting obligations, see the [appendix](#) to the relevant fund management report.

2.2 SPICE performance

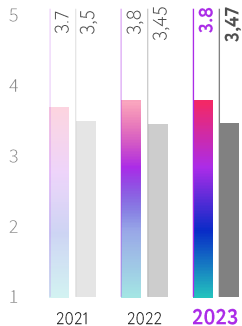
“The value created by a company is **sustainable** only if it is **shared among all of its stakeholders**: this belief guides our responsible investment approach.”

Because we seek sustainable performance for our clients, our fund manager-analysts examine not only a company’s finances but also how the company interacts with all its stakeholders, to evaluate the robustness of its business model and governance, as well as its environmental and social impacts. Our **proprietary fundamental analysis model**, called SPICE⁹, enables us to measure the sustainability performance of our investments.

At the end of 2023, the weighted SPICE rating of investments held in the Sycomore Europe Éco Solutions fund was **(3.8/5)**, **unchanged from the 2022 rating (3.8/5)** and **higher than that of the MSCI Europe NR index (3.5/5)**. The top-rated companies in the portfolio were **Orsted, EDP Renovaveis and ERG**, all renewable energy producers.

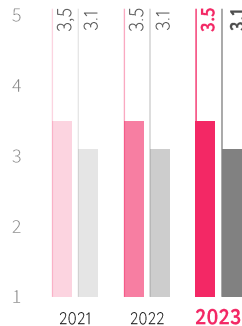
CHANGES IN THE FUND’S SPICE RATINGS COMPARED TO ITS INDEX

SPICE



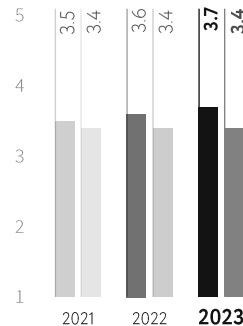
SOCIETY

Societal Contribution of products and services, job creation, corporate citizenship, human rights, control of subcontracting chains



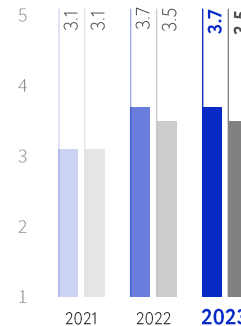
PEOPLE

Efforts to cultivate employee fulfilment and a workplace that promotes talent development, measurements of engagement, diversity and equity



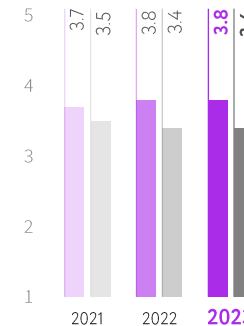
INVESTORS

Robust business model, ability to create value from the opportunities presented by a more sustainable and inclusive economy, good governance, alignment of all stakeholder interests



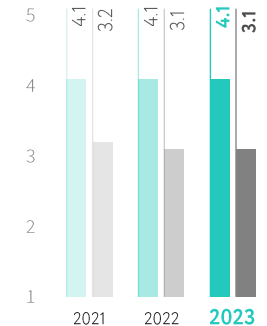
CLIENTS

Relevant, coherent sales strategy, inherent risks in products and services, digital responsibility



ENVIRONMENT

Integration of environmental issues in strategy, direct and indirect environmental impacts, transition risks, physical risks



■ Sycomore Europe Éco Solutions ■ MSCI Europe NR

2023 coverage ratio (weight in the fund): 98% / 2023 coverage ratio (weight in the index): 98%

⁹The SPICE rating is the weighted sum of the underlying S, P, I, C and E ratings with the following default weighting: 10%*S + 15%*P + 50%*I (with 60% of the I rating for the business model and 40% for Governance) + 10%*C + 15%*E. This weighting varies according to the company’s business sector.

2.3

Exposure to Sustainable Development Goals

In this section, we show the exposure of portfolio companies to the 17 Sustainable Development Goals adopted by the United Nations in 2015 and, more specifically, to the 169 underlying targets. By exposure, we mean the opportunity for each company to contribute positively to the SDGs through its products and services¹⁰.

Our analysis is based on a list of activities:

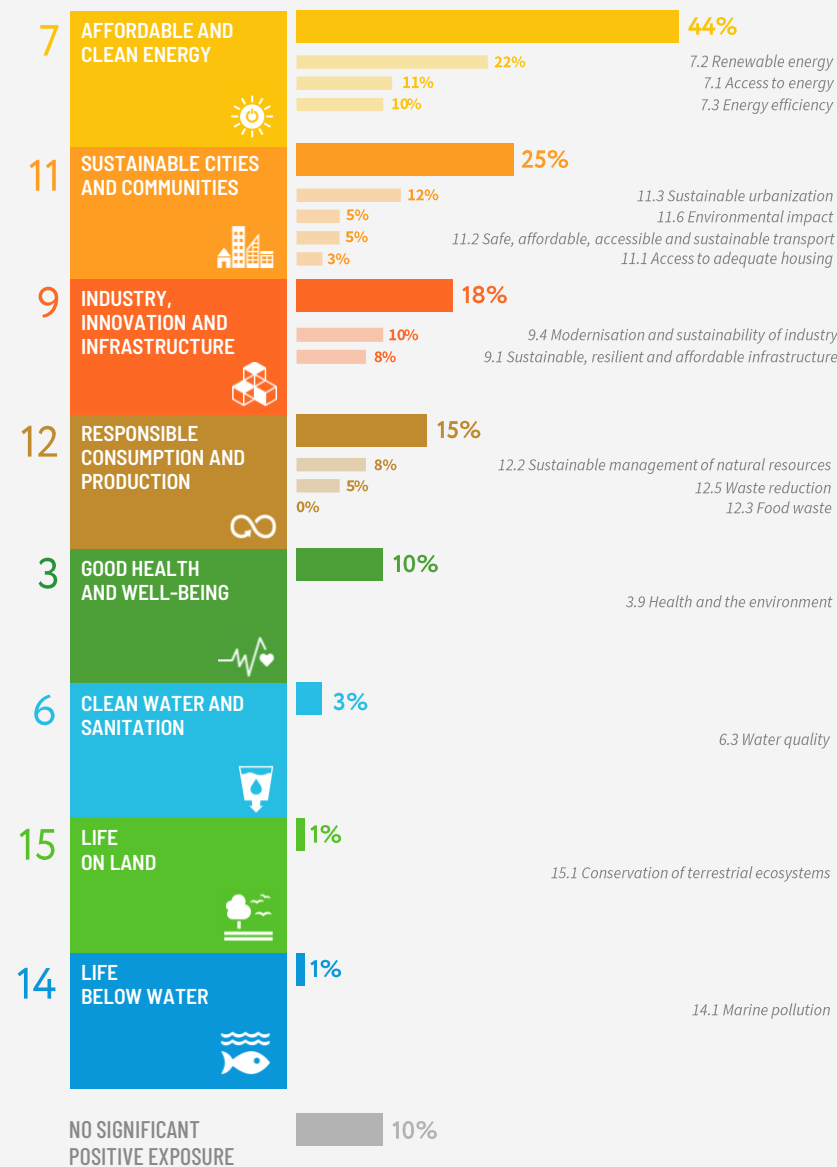


For each activity, we identified **one to three targets the company is most likely to contribute towards positively**, notwithstanding the fact that it may contribute simultaneously to other SDGs or targets. **Each company is then analysed based on the activities it conducts.** Therefore, a company that operates different businesses can be exposed to several targets, in which case the exposure is weight-adjusted according to the percentage of revenue generated by each activity.

We also sought to **differentiate between companies based on their potential contribution**, by looking at how their current portfolio of products and services is effectively positioned. Put simply, the more the products, services and beneficiaries are aligned with those targeted by the SDG, the higher the degree of alignment: high, moderate or low. This analysis is qualitative and draws from information at our disposal, partly thanks to the data we collect when assessing the net societal and environmental contributions (SC and NEC). We have also identified activities, which according to our analysis have no significant positive exposure to the SDGs.

Finally, companies can also **contribute to the SDGs through their own corporate practices and the way in which they run their business**. This factor is not taken into account at this stage, as we focus on the exposure of their products and services to the SDGs.

¹⁰ This undertaking is not designed to measure the effective contribution of companies to the SDGs – these are assessed by our net environmental contribution (NEC) and societal contribution (SC) metrics.



2.3

Exposure to Sustainable Development Goals

SDG 13: Take urgent action to combat climate change and its impacts

The thirteenth Sustainable Development Goal adopted by the United Nations aims to **strengthen all countries' resilience and adaptive capacity to climate-related hazards and natural disasters**, with a focus on building capacity in least developed countries and small island developing States.

The wording of the goal is formulated for countries and their definition of national policy, strategy and planning, as well as negotiations between countries¹¹. **It cannot be applied to corporate activities.**



For this reason, SDG 13 Climate Action **does not appear explicitly in our classification**. However, **it remains one of the cornerstones of the investment strategy of Sycamore Europe Éco Solutions** and an **issue that is systematically integrated and assessed** in terms of both stock selection and impact measurement.

¹¹ <https://www.un.org/sustainabledevelopment/climate-change/>

13

CLIMATE ACTION



TITLE	DESCRIPTION OF THE TARGET
Resilience and adaptive capacity	13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
Climate change policies	13.2: Integrate climate change measures into national policies, strategies and planning.
Education and capacity for action	13.3: Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.
Green Climate Fund	13.a: Implement the commitment undertaken by developed-country parties to the United Nations Framework Convention on Climate Change to a goal of mobilising jointly \$100 billion annually by 2020 from all sources to address the needs of developing countries in the context of meaningful mitigation actions and transparency on implementation and fully operationalise the Green Climate Fund through its capitalisation as soon as possible.
Capacity-building	13.b: Promote mechanisms for raising capacity for effective climate change-related planning and management in least developed countries and small island developing states, including focusing on women, youth and local and marginalised communities.

2.4

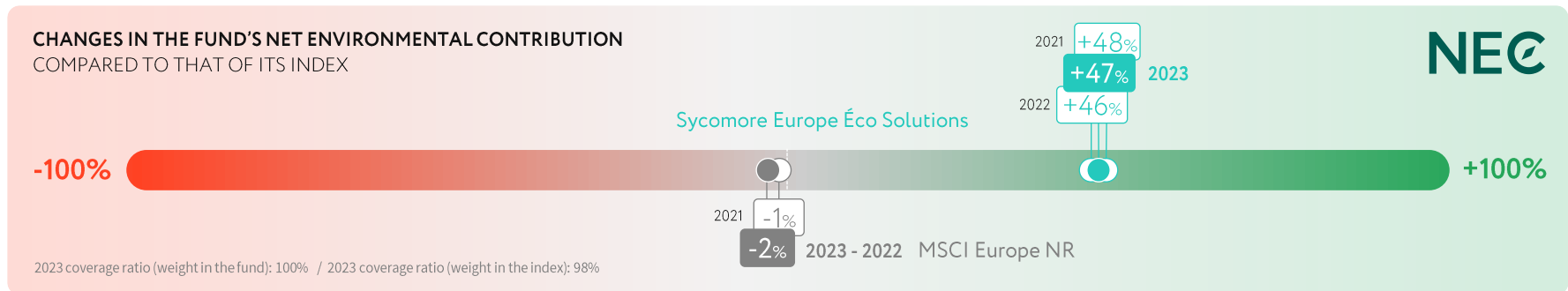
Sustainability indicators

Environment

Net Environmental Contribution

We assess our investments' contribution to the ecological transition using the Net Environmental Contribution (NEC). **The NEC measures how a company's products and services help drive the ecological transition.** It ranges on a scale from **-100%** for activities that are highly destructive of natural capital to **+100%** for activities with a highly positive net environmental impact. In the middle of the scale, **0%** represents the average environmental impact of the world economy¹².

At the end of 2023, the NEC of the Sycomore Europe Éco Solutions fund stood at **+47%**¹³ compared to **-2%** for the MSCI Europe NR index. It was slightly below the fund's NEC for 2022.



Moderate environmental contribution

ABB Ltd (NEC +11%) is a global technology company specialising in robotics, energy and automation. It is committed to enabling a low-carbon society through innovations in electrification and automation with the aim of reaching carbon neutrality for its own operations by 2030. **Aurubis AG (NEC +11%)** is a German copper producer that uses up to 50% of end-of-life metals to make recycled copper.



Significant environmental contribution

Solaria (NEC +71%) is a solar energy producer. **UPM-Kymmene Oyj (NEC +69%)** is a Finnish company that produces paper, pulp, biofuels and timber-related products. **SCA (NEC +64%)** is a Swedish company specialised in sustainable forest management and in paper and wood-based products. It emphasises the renewability and recyclability of its products and takes steps to reduce its carbon footprint while actively contributing to a circular economy, with a commitment to achieve net zero emissions by 2050.



Very high environmental contribution

Alstom (NEC +78%), due to its railway business, **Vestas Wind Systems AS (NEC +100%)**, as a leader in wind power, **CAF (NEC +100%)** in rail transportation, and **Lhyfe (NEC +100%)**, a French green hydrogen producer dedicated to promoting a sustainable energy transition, all make a very high environmental contribution.



¹² For more information on the Net Environmental Contribution and underlying methodologies, please visit the [NEC Initiative](#) website. ¹³ NEC 1.0 calculated by Sycomore AM based on company-sourced data from 2020 to 2023.

2.4

Sustainability indicators

Green share according to the Greenfin label



The Sycomore Europe Éco Solutions fund aims to **maintain a larger share of its portfolio invested in issuers operating in eco-activities than its benchmark index**. This “green share” is defined based on the Greenfin label’s classification of eight categories of eco-activities potentially contributing to the energy transition and climate action. The categories are energy, building, circular economy (waste management and pollution control), industry, transport, information and communications technology, agriculture and forestry, and climate change adaptation.

Below we report the share of the portfolio invested in **type I** issuers (companies generating **more than 50% of their revenue from eco-activities**) and **type II** issuers (companies generating **10% to 50% of their revenue from eco-activities**). As it is based on the Greenfin label classification, this breakdown includes issuers that generate at least 10% of their revenue from eco-activities.

EXPOSURE BY TYPE OF ISSUER ACCORDING TO THE GREENFIN LABEL



At the end of 2023, the share of type I and II companies in the fund was therefore **100%** – meaning that on average, 100% of the revenue of companies in which it invests comes from eco-activities, as defined by the Greenfin classification, **compared to 9% for the benchmark**. The fund has met its target of **outperforming** the benchmark.

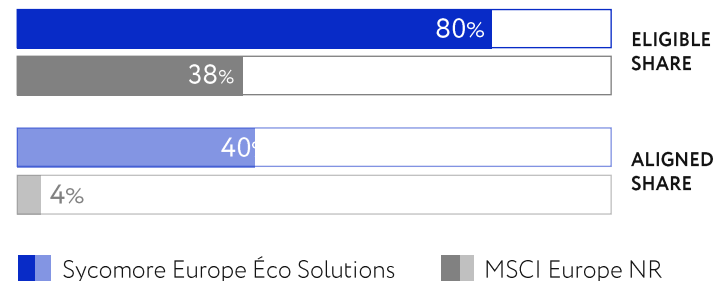
2022 coverage ratio (weight in the fund): 100% / 2022 coverage ratio (weight in the index): 98%

EU Taxonomy

The EU Taxonomy has established a **list of environmentally sustainable activities** to direct investments toward companies contributing to a low-carbon, resilient and resource-efficient economy. To align with the taxonomy, eligible economic activities must **substantially contribute to at least one of six environmental objectives**¹⁴ without doing any significant harm to any of the other objectives.

At the end of 2023, 80% of business activities by companies in the Sycomore Europe Éco Solutions fund were **Taxonomy-eligible** and 40% were **Taxonomy-aligned**, versus 4% for the benchmark index.

TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED SHARES



2023 coverage ratio (weight in the fund): 98% / 98%
2023 coverage ratio (weight in the index): 93% / 98%

Because of the technical nature of the criteria related to each objective, a current lack of data published by companies, and the recent addition of the final four objectives, our assessments of aligned shares are only estimates. Results will vary from one year to the next, as companies report more comprehensive Taxonomy data, as required by the Corporate Sustainability Reporting Directive (CSRD), starting 1 January 2024.

¹⁴ Climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, protection and restoration of biodiversity and ecosystems.

2.4 Sustainability indicators

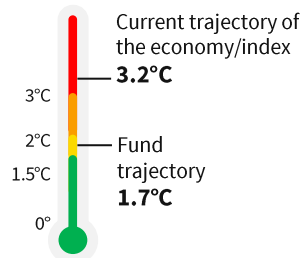
In addition to the Net Environmental Contribution, we measure our investments' alignment with international goals set by the **Paris Agreement** to limit global warming, using two **exclusively climate-based methods**:

Science-Based 2°C Alignment (SB2A)

SB2A is a method developed by I Care and Iceberg Data Lab to measure a company's **alignment with low-carbon benchmark scenarios**, based on its past (since 2010) and future climate performance and on how this performance compares to **decarbonisation pathways** within its industry.

The Sectoral Decarbonization Approach (SDA) allocates a **carbon budget to each sector**, based on 2°C scenarios for the sector established by the International Energy Agency (IEA) – namely, the 2°C Scenario (2DS) and the 1.75°C Scenario (Beyond 2°C or B2DS)¹⁵. SB2A can therefore take into account **all sectors, while differentiating between companies**. The method then converts the company's performance gap – compared to what it should be in a low-carbon scenario – into an “implied temperature rise”. A weighted average of 2100 temperature forecasts for each company, according to weight in the portfolio, is then calculated to generate a temperature pathway for the entire fund.

TEMPERATURE-RISE TRAJECTORIES TO 2100



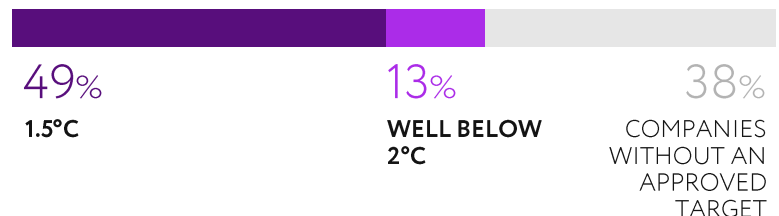
At the end of 2023, the SB2A method covered 92% of the net assets of Sycomore Europe Éco Solutions. According to the method, the net assets would result in an average temperature increase of **1.7°C** by 2100. Thirty-two percent of the net assets (i.e. 27% of the assets covered by the method) would have an implied temperature rise of $\leq 1.5^\circ\text{C}$, while 21% (17% of the assets covered) would have an implied temperature rise of between 1.5°C and 2°C, and 31% (26% of the assets covered) would have an implied temperature rise of more than 2°C.

Science Based Targets initiative (SBTi)

The Science-Based Targets initiative (SBTi) was created in 2015 by the CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI) and the World Wildlife Fund (WWF). It encourages companies to set **greenhouse gas (GHG) emission reduction targets** that are based on scientific data and **align with a 1.5°C pathway** that would enable the global economy to halve emissions by 2030 and reach net zero by 2050, in accordance with the recommendations of the Intergovernmental Panel on Climate Change (IPCC) and the Paris Agreement.

At the end of 2023, companies whose GHG emission reduction targets were approved by the Science Based Targets initiative accounted for **62% of net assets held**. Based on the SBTi methodology, **49% of net assets held** are aligned with a **1.5°C trajectory** and **13%** with a trajectory “**well below 2°C**” (versus 10% at the end of 2022). Companies having initiated but not completed an SBTi target-setting process or for which the outcome was still pending accounted for 15% of net assets held. The share of companies with an approved SBTi target in the Sycomore Europe Éco Solutions fund was **slightly above the average of Sycomore AM's assets under management** (43% versus 49%).

SHARE OF PORTFOLIO COMPANIES HAVING SET AN SBTi TARGET



¹⁵ For more information, see the Energy Technology Perspectives 2017 (ETP 2017) report, which presents three pathways for energy sector development to 2060 and lays the groundwork to achieve the two scenarios mentioned above.

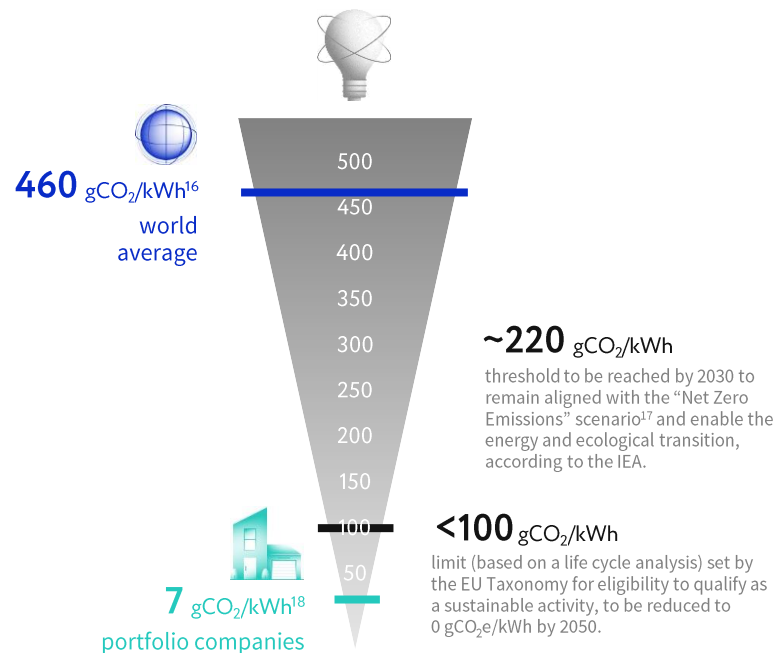
2.4

Sustainability indicators

Carbon intensity of the electricity generation mix

The consolidated impact indicator below shows the **specific carbon intensity of electricity-producing companies within the portfolio**, in proportion to their weight out of total net assets. These results confirm that the portfolio is aligned with a **trajectory that is well below 2°C** in this particular area.

CARBON INTENSITY OF ELECTRICITY PRODUCERS



¹⁶ 2022. <https://www.iea.org/reports/world-energy-outlook-2023>

¹⁷ Average worldwide carbon intensity of electricity generation for commercial purposes by companies held in the portfolio at 31 December 2023. This was calculated on the basis of 100% of electricity production companies accounting for 18.7% of total net assets at 31 December 2023.

Exposure to fossil fuels

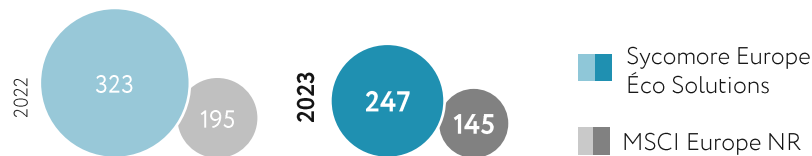
Sycomore Europe Éco Solutions **automatically excludes exploration, extraction, refining, electricity and heat generation involving fossil fuels** (coal, oil and gas). Nevertheless, residual exposure of companies to some fossil fuels is tolerated as long as it represents a marginal activity or is being discontinued. The share of the fund’s assets in companies active in the fossil fuel industry, within the meaning of the SFDR, was **1% at the end of 2023, representing €7.5 million**. This exposure is related to investments in **ERG** (an Italian renewable energy producer specialising mainly in wind, solar and hydroelectric power, which sold its CCGT plant in 2023), **Orsted** (an energy producer in the midst of a transition, with less than one-fourth of revenue still generated by fossil fuels) and **Veolia Environnement** (waste treatment and water management, with district heating management activities partially using gas and coal). In addition to our investment, we also engage with these companies, as described in [Chapter 3](#).

Carbon footprint

Since 2015, it has been our choice to publish the carbon footprint of our funds, exclusively for information purposes. This indicator does not directly influence our investment decisions. While being aware of a company’s carbon footprint helps to measure and prioritise its reduction efforts, **the use of an aggregate carbon footprint has many limitations**, as explained in our [Natural Capital Strategy](#).

At the end of 2023, the weighted average carbon footprint of Sycomore Europe Éco Solutions was **247 tonnes of CO₂ equivalent per million euros of enterprise value**, compared to 145 tCO₂e/€M for its benchmark index. The biggest contributors to this footprint were **Aurubis, in copper recycling**, and **Veolia Environnement, in waste management**. The smallest contributors were **Neoen** and **Energiekontor**, both pure players in renewables, due to the low carbon intensity of their operations.

EMISSIONS IN TONNES OF CO₂ EQUIVALENT



Source: Trucost/S&P Global covering GHG Protocol Scopes 1, 2 and upstream 3.
2023 coverage ratio (weight in the fund): 96% / 2023 coverage ratio (weight in the fund): 100%

2.4 Sustainability indicators

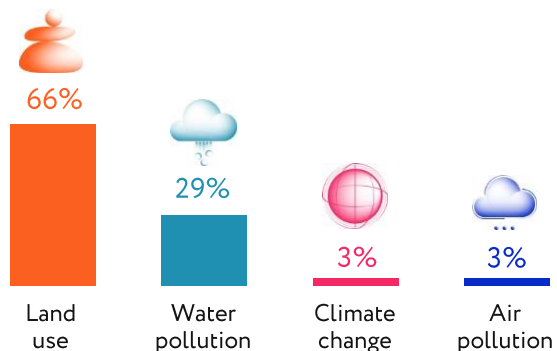
Biodiversity footprint

The Corporate Biodiversity Footprint (CBF) metric was developed by the Iceberg Data Lab to measure a company’s impacts on biodiversity, based on their main underlying sources. The metric **covers impacts throughout the value chain** (Scopes 1, 2 and 3). The measurements are aggregated into a footprint expressed in a unit of surface area, the m2.MSA (Mean Species Abundance). One m2.MSA represents one square metre of natural land lost due to the company’s business activity in year Y. The complete [methodology](#) is available online.

At the end of 2023, the coverage ratio of companies in Sycomore Europe Éco Solutions was **97%**, compared to **98%** for its benchmark index and **76%** for all Sycomore AM investments. **The fund’s biodiversity footprint stood at -75 m².MSA per thousand euros invested** (compared to -51 m².MSA per thousand euros invested for its benchmark).

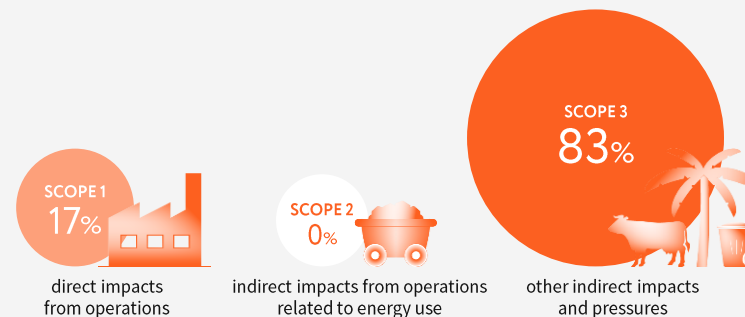
This footprint reflects the impacts of four main pressures on biodiversity generated by activities in a company’s value chain: **land use, greenhouse gas emissions, air pollution and water pollution.**

BREAKDOWN OF THE FUND’S BIODIVERSITY FOOTPRINT



The biodiversity footprint makes it possible to identify the sources of these impacts and where they occur in the company’s value chain. On average, the impacts of the portfolio companies covered are distributed as follows:

BREAKDOWN OF THE BIODIVERSITY FOOTPRINT BY SCOPE



Like its carbon footprint, the fund’s biodiversity footprint **mainly reflects its sectoral allocation**. For Sycomore Europe Éco Solutions, the biggest-contributing sectors are **manufacturing**, with the significant contribution of **Umicore, Nexans, Prysmian, Saint-Gobain and ABB LTD**, as well as the **raw materials** sector, with **SCA**, and **utilities services**, with **Veolia Environnement**, whose biodiversity footprint is large.

Considering the low portfolio coverage of this indicator, along with changes to its methodology (in which we are stakeholders, as a member of the CBF’s steering committee), we communicate the Corporate Biodiversity Footprint strictly for information purposes only, as part of our continuous efforts to explore different methods for modelling our portfolio’s biodiversity impact.

2.4

Sustainability indicators

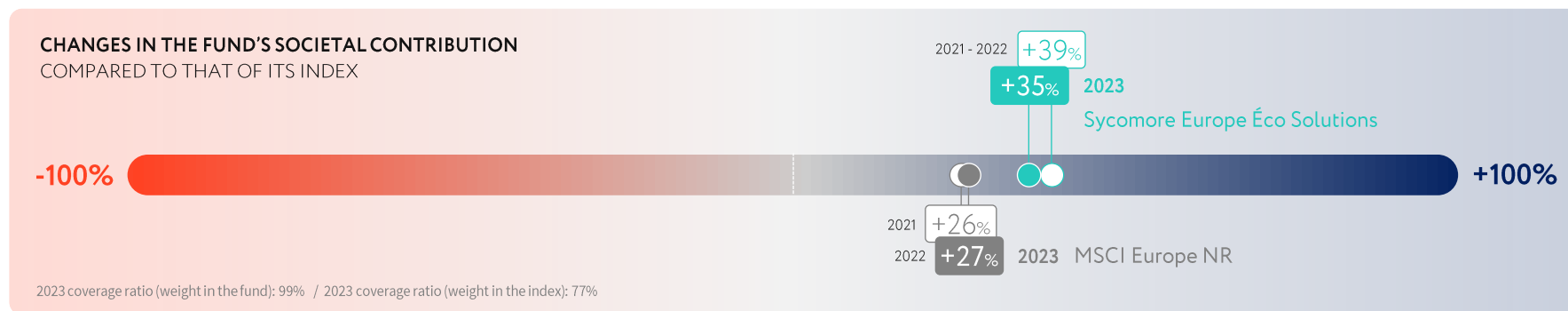
Social

Societal Contribution of products and services

We measure our investments' alignment with major societal issues using the Societal Contribution of products and services (SC). The SC is a **quantitative metric**, assessed on a scale of **-100%** to **+100%**, that aggregates the positive and negative contributions of a given business. It focuses on **three pillars: Access & Inclusion, Health & Safety and Economic & Human Progress**. The SC is evaluated using sector frameworks defined by our SRI analysts, mainly drawing on the social issues covered by the UN's Sustainable Development Goals¹⁸.

At the end of 2023, the Societal Contribution of products and services for portfolio companies stood at **+35%** compared to **+27%** for the fund's benchmark index. The fund's SC was relatively unchanged from 2022.

As of 1 January 2023, **the Societal Contribution of products and services is no longer a selection criterion** for the fund to invest, as the fund's sustainable investment objective is now exclusively environmental.



Neutral societal contribution

UPM-Kymmene Oyj (SC -1%) is a Finnish company that produces paper, pulp, biofuels and timber-related products. **Smurfit Kappa (SC 0%)** is a world leader in paper-based packaging solutions that emphasises sustainable practices by using renewable resources and recycled materials. The company focuses on designing innovative eco-friendly packaging to reduce the environmental impact and promote circular economy principles.



Highly positive societal contribution

Alstom (SC +84%): Railways are appreciated for their contribution to improving air quality (Health & Safety) and facilitating traffic while reducing congestion within and between cities (Economic & Human Progress). **Shimano (SC +67%)**: Bicycles make a very positive contribution to health (Health & Safety) and also provide affordable transportation for all (Access & Inclusion). **CAF (SC +75%)** is a Spanish engineering company that manufactures railway vehicles and equipment. It focuses on sustainable transport solutions to reduce the environmental impact.



¹⁸ More information on the methodology is available in our [Societal Capital Strategy](#).

2.4

Sustainability indicators

Human rights policies

Human rights encompass **the rights of employees** and, more broadly, those of local communities and members of civil society **affected by a company's operations or activities**. Sycomore AM has implemented a dedicated **human rights policy** since 2020.

In line with the United Nations Guiding Principles (UNGPs), we assess a company's respect for human rights by considering, in addition to the existence of a human rights policy, its **human rights due diligence processes**, the **salient risks**, and its **remedy framework**.

Since there is no holistic indicator covering all these aspects, we have selected an indicator provided by **Bloomberg**, which identifies companies that communicate on the implementation of a human rights policy.

In 2023, the percentage of portfolio companies with a formal human rights policy was **90%**, significantly **lower than the benchmark (97%)**. During the year, through the **French Sustainable Investment Forum (FIR)**, we helped to build a set of criteria for use in quickly analysing a company's exposure to forced labour and child labour. Engagement initiatives are conducted on a case-by-case basis.

PERCENTAGE OF COMPANIES WITH A HUMAN RIGHTS POLICY



■ Sycomore Europe Éco Solutions ■ MSCI Europe NR

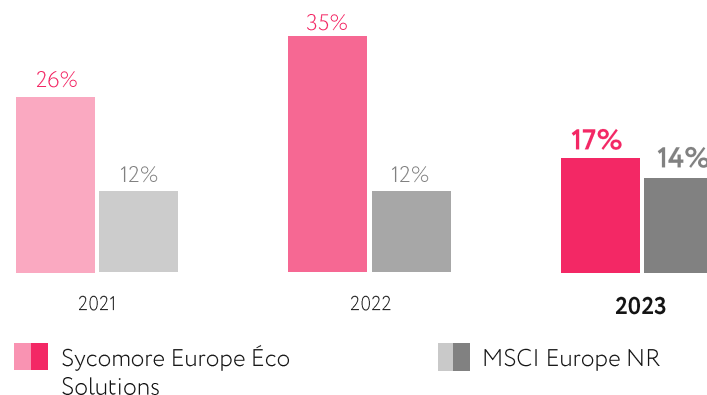
2023 coverage ratio (weight in the fund): 100% / 2023 coverage ratio (weight in the index): 97%

Growth in staff

We assess a **company's ability to create jobs** based on the positive or negative change in total staff numbers over the past three financial years. The indicator shown below includes changes in staff numbers following acquisitions and disposals.

In 2023, the **growth in staff numbers** at portfolio companies (17% over three years for the fund versus 14% for the benchmark) reflects the strong **momentum** enjoyed by some of the companies in which we invest. We also observed strong employment growth in transition technologies, an attractive market. For example, jobs were created by hydrogen players (**Lhyfe**), renewable electricity producers (**Neoen** and **Solaria**) and electric vehicle charging station providers (**Alfen**). The fund is also invested in large French groups, where growth in staff has been sluggish over the past three years (**Rexel**, **SPIE**), or even negative (**ABB LTD**).

CHANGES IN STAFF NUMBERS OVER THREE YEARS



2023 coverage ratio (weight in the fund): 98% / 2023 coverage ratio (weight in the index): 98%

As of 1 January 2023, these indicators are no longer selection criteria for the fund to invest, as the fund's sustainable investment objective is now exclusively environmental.

2.4

Sustainability indicators

Governance

Gender equality

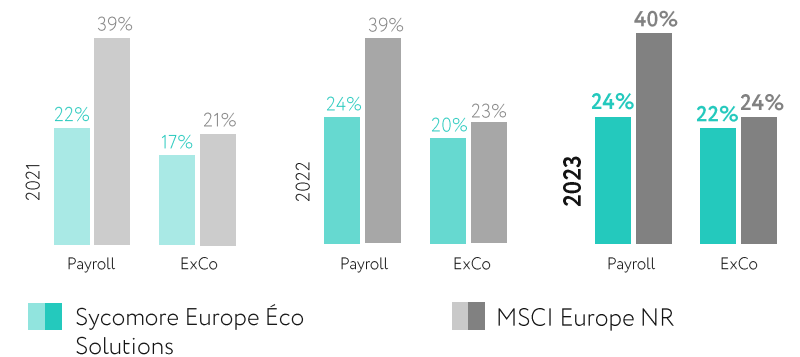
Diversity is a **key success factor of corporate governance** and decision-making. McKinsey Global Institute found that if each company achieved the level of gender equality of the most advanced country in its region, this would add **\$12 trillion** to global GDP by 2025¹⁹. We therefore chose to consider the percentage of women on the executive committee and in the total headcount as an indicator of a company’s ability to promote diversity and equal opportunity.



In 2023, the percentage of women on the executive committee at companies held by Sycomore Europe Éco Solutions was **22%**, **slightly under the benchmark** (24%), while the percentage of women out of total staff stood at **25%**, also **below the benchmark index** (40%). This gap reflects the difference in sectoral allocation between the index and the fund, the latter being more exposed to manufacturing companies, which tend to employ fewer women.

Women make up more than **30%** of the management board of 11 companies, which include **Arcadis, Legrand, Schneider Electric, Tomra, Lhyfe** and **Saint-Gobain**. Other companies show significant gaps between the percentage of women on the payroll and the percentage of women on the executive committee, such as **Afyren** and **Renewi PLC**. We have been engaging with companies featured in our investment universe for several years now to promote best practices in gender equality and support for female talent at all company levels.

WOMEN ON THE PAYROLL AND ON THE EXECUTIVE COMMITTEE (ExCo)



¹⁹ McKinsey Global Institute, “The Power of Parity: how advancing women’s equality can add \$12 trillion to global growth”, 2015.

2023 coverage ratio (weight in the fund): 93% for the executive committee and 86% for the payroll
 2023 coverage ratio (weight in the index): 92% for the executive committee and 88% for the payroll

03 Engagement and voting

Shareholder engagement is about driving companies to make **structural improvements to their sustainability practices**, by articulating areas for improvement through constructive dialogue and long-term monitoring.

This is a key feature of putting our mission into action and, above all, achieving our **overarching goal of measuring and increasing the social and environmental contributions of our investments**.

“

We invest to develop an economy that is more sustainable and more inclusive and to generate positive impacts for each of our stakeholders. **Our mission is to give a human dimension to investment.**”

Details on our shareholder engagement are provided in our [ESG Integration and Shareholder Engagement Policy](#). It is based on individual dialogue with company executives throughout the year, or with the board of directors ahead of shareholder meetings, as well as collaborative initiatives. For more information on the coalitions in which Sycomore AM is a member, see Sycomore AM's [Sustainability and Shareholder Engagement Report](#).

Once we formally set the areas of engagement, **we monitor company progress** and can employ escalation tools to **increase our chances of successful action**.

3.1 Our engagement initiatives

In 2023, we formally engaged with **11 portfolio companies**, having identified **39 areas for improvement** during the year. Nearly 79% of these initiatives involved individual dialogue, while the remaining 21% were part of collaborative initiatives.



Out of the shareholder engagement initiatives taken in 2023, **46%** directly concerned **corporate governance** (pillar I of the SPICE analysis). The main issues raised included the **structure, procedures and practices of the board of directors** and **executive compensation**, especially the **transparency** of compensation reports and the alignment of compensation criteria with the interests of all stakeholders.

Nine initiatives, accounting for **21% of our actions**, concerned **human capital management** within portfolio companies. Most of the dialogue aimed to improve gender equality at all levels of the organisation. Other initiatives were related to conducting employee satisfaction surveys.

Thirteen initiatives, accounting for **33% of our actions**, concerned **environmental issues**, especially companies' climate strategies and alignment with Paris Agreement targets, as well as greater transparency in ESG reports. These initiatives included individual dialogue, such as with **Befesa**, as well as collaborative initiatives. As part of a campaign with the Net Zero Engagement Initiative (NZEI), we engaged with **Elia** to encourage the company to develop a climate plan aligned with a 1.5°C trajectory. The list of companies in the Sycomore Europe Éco Solutions portfolio with which we engaged in dialogue in 2023 is available in the [appendix](#).

3.1 Our engagement initiatives

Controversies and engagement

No serious controversy arose for any of the stocks in our portfolio in 2023. We therefore had no need to initiate engagement action during the year.

Progress monitoring

38

engagement
initiatives
assessed in 2023

55% improvements observed
following the 38 initiatives

68% of engagement initiatives
still in progress

We also monitored the advancement of **16 portfolio companies** on **38 areas for improvement submitted in previous years**. On **68%** of these points, we noted partial progress or achievement of the target.



3.1 Our engagement initiatives

OUR ENGAGEMENT WITH VEOLIA

Sycamore began to dialogue with **Veolia** on environmental issues back in 2020. As a best practice leader, we sought to lend guidance and support to the group for the continuous improvement of its non-financial performance.

In April 2023, ahead of the shareholder meeting, we bolstered our engagement initiatives with Veolia.

We began our series of actions by asking for the **inclusion of Veolia's purpose in its articles of association**, an amendment that requires shareholder consent. We also asked for environmental commitments, in particular, **the exit from coal**. We communicated our wish for the group to publish a detailed calendar for the phase-out or conversion of coal-fired combined heat and power (CHP) plants in Europe, plant by plant. According to the group, this calendar is tied to incentives given to local and country managers. We also emphasised the importance of planning a withdrawal from coal outside Europe, and asked Veolia to work on an exit plan for the plant still in operation in China. With the same aim, and to ensure consistency with the company's ESG goals, we recommended more transparent communications on **the energy mix for the district heating and cooling networks operated by Veolia**, whether the energy is generated by Veolia or another producer (percentage of coal, gas, other fossil fuels, biomass, waste energy, waste material and non-biomass renewables in purchased energy and in distributed energy). Lastly, we asked for clarification from the group as to the geographical scope of its activities considered to be EU Taxonomy-eligible.

In April 2023, the Responsible Investment team gave us a coal exit calendar indicating the date of closure for each plant still in operation. This is a satisfactory response. We would like this information to be published on the Veolia China website.

However, Veolia does not wish to communicate openly about this calendar, since the dates of closure are dependent on negotiations with the local and state governments with which they work under contract. Local managers are nevertheless given financial incentives to follow a detailed exit plan, to be completed by 2030 at the latest.

We underscored the need for an approximate calendar in order to assess alignment with environmental goals.

On the subject of coal operations outside Europe, the group explained that it had coal-fired CHP plants still in operation in northeast China (Harbin, Manchuria) producing 225 MW (about €400 million in revenue, representing less than 15% of the group's 2% of coal revenue). There is currently no local alternative in the short term and Veolia is not in a position to influence the future of these assets. The group's strategy consists in gradually phasing out its operations in China, but it continues to use ambiguous wording and has not provided any calendar or plan. **After having discussed these issues with operational staff in the group and obtained an initial target date of 2035 for the phase-out, we submitted a written question at the 2023 shareholder meeting, to which a partial response was given, with no commitment regarding the exit date. We would like the group to publicly commit to the 2035 deadline as part of its overall withdrawal strategy.**



3.1

Our engagement initiatives

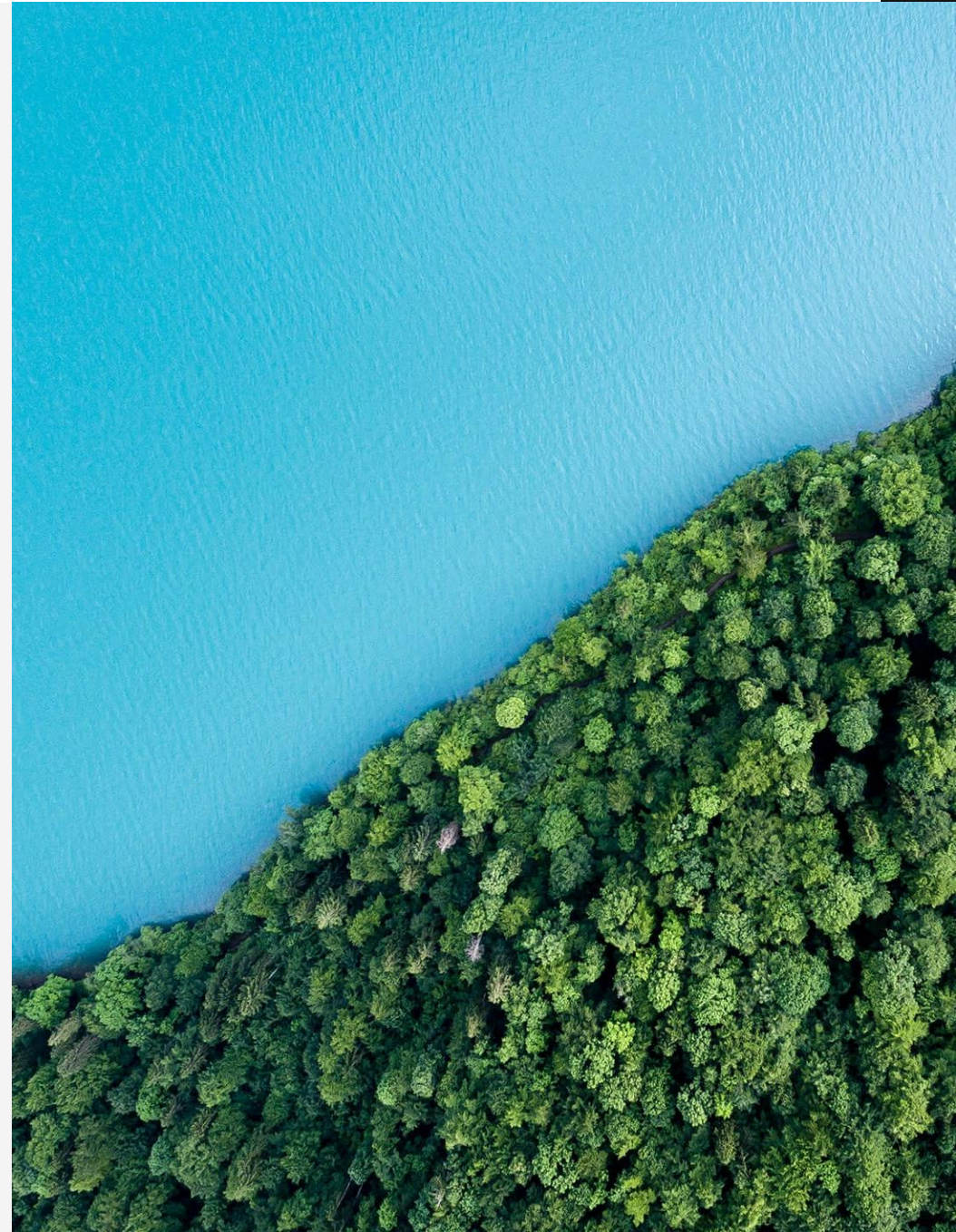
COLLABORATIVE
ENGAGEMENT WITH



We decided to take part in the **Net Zero Engagement Initiative** (NZEI), coordinated by IIGCC and launched in March 2023. This initiative enables investors to engage with companies outside the Climate Action 100+ focus list, which includes some of the largest oil and gas operators. The objective is to push firms to devise strategies that will reduce their emissions in line with the **Paris Agreement** and contribute to achieving **collective carbon neutrality**, planet-wide. Through this engagement, we urge companies to develop a net zero transition plan that aligns with the criteria of the [Net Zero Investment Framework](#) (NZIF). The minimum components of these plans are:

- A realistic and comprehensive net zero-aligned commitment
- Short-, medium- and long-term GHG emissions reduction targets
- Tracking of GHG emissions performance
- A credible and coherent decarbonisation strategy

Since its launch, **107 companies** have received personalised letters from investors listing their expectations for a credible net zero transition plan. After sending these letters, we led substantial engagement initiatives, as signatories to the NZEI, with each company individually. Sycomore AM engaged with **20 listed companies**. **Thirteen** of them answered questions and provided additional information about their transition plan.



3.2 Our voting at shareholder meetings

In order to actively support shareholder democracy, we systematically vote at the shareholder meetings of our portfolio companies. In 2023, we voted at 100% of the shareholder meetings for portfolio companies:



The main topics of disagreement were in relation to:

- Other topics (40%)
- Capital transactions (31%)

Share of votes against



In 2023, Sycomore AM revised the internal categories it uses to classify resolutions, due to the increase in the number of items in the “Other” category, as well as to better align with the classification used by the ISS and thereby reduce the risk of error, while maintaining consistency. Details about these changes can be found in our [2023 Proxy Voting Annual Report](#).

The average opposition rate was 16%. As shown in the graph, the highest rates of opposition were met with by capital transactions (34% of votes against) and executive compensation (25%).



Regarding **capital transactions**, we defended minority interests when voting on authorisations submitted for shareholder approval.



Regarding **compensation**, we paid special attention to aligning executive compensation with the interests of all stakeholders, especially by incorporating ESG criteria, to keeping compensation at a reasonable level and to ensuring the transparency of compensation policies and reports.



Eight resolutions related to sustainability issues. We supported all of these resolutions, except Schneider Electric’s first Say on Climate resolution. We opposed this resolution as we felt it was missing some key information, such as absolute reduction targets for Scopes 1 and 2 by 2025, the share of offsets in the Net Zero 2050 goal for Scope 3, and more granular information on capex. Sycomore AM voted in favour of the social responsibility reports published by CAF and Acciona, which we also approved last year. Other resolutions that we supported pertained to aid and donations provided by companies, such as Rockwool, as a sponsor of Ukraine.

All of the shareholder resolutions on which we voted in 2023 covered **the election and compensation of directors at ERG**. In accordance with our voting policy, we **supported** all these resolutions.

04 Appendices

PORTFOLIO INVENTORY OF SYCOMORE EUROPE ÉCO SOLUTIONS AT 29 DECEMBER 2023

COMPANY	WEIGHT IN PORTFOLIO	NEC	SBTi target	SC ²⁰	SUSTAINABLE INVESTMENT	ENGAGEMENT BY SPICE ²¹ PILLAR
SCHNEIDER	4.85	13%	1.5°C	38%	Environment and Social	Environment
VESTAS	3.72	100%	1.5°C	55%	Environment and Social	
EDP RENOVAVEIS	3.61	95%	X	26%	Environment and Social	Environment
INFINEON	3.60	15%	X	32%	Environment and Social	
SAINT-GOBAIN	3.37	16%	1.5°C	32%	Environment and Social	
ERG	3.20	95%	1.5°C	26%	Environment and Social	
ARCADIS	3.15	20%	1.5°C	43%	Environment and Social	
SOLARIA	2.89	71%	X	50%	Environment and Social	
LEGRAND	2.88	16%	1.5°C	33%	Environment and Social	
SIG GROUP	2.64	29%	1.5°C	22%	Environment and Social	
SPIE	2.32	14%	1.5°C	38%	Environment and Social	
UPM-KYMMENE	2.30	69%	1.5°C	0%	Environment	Environment
NEOEN	2.21	81%	X	53%	Environment and Social	
NEXANS	2.14	15%	1.5°C	39%	Environment and Social	
ANDRITZ AG	2.12	27%	X	20%	Environment	
KINGSPAN	2.11	39%	1.5°C	22%	Environment	
WIENERBERGER	2.07	22%	X	37%	Environment and Social	
ROCKWOOL	1.99	45%	Well below 2°C	37%	Environment and Social	
ACCIONA	1.97	53%	1.5°C	41%	Environment and Social	
REXEL	1.87	11%	1.5°C	28%	Environment and Social	
SHIMANO	1.82	79%	X	67%	Environment and Social	
SMURFIT KAPPA	1.57	79%	Well below 2°C	0%	Environment	
SECHE ENVIRONNEMENT	1.56	70%	Well below 2°C	60%	Environment and Social	
STORA ENSO	1.55	37%	1.5°C	-2%	Environment	

²⁰As of 1 January 2023, the Societal Contribution of products and services is no longer a selection criterion for the fund to invest, as the fund's sustainable investment objective is now exclusively environmental.

²¹SPICE stands for Society & Suppliers, People, Investors, Clients and Environment. For details on the information taken into account in our SPICE fundamental analysis model, see our ESG Integration Policy.

The information provided is not intended as an offer or a recommendation to buy or sell financial instruments of any kind. References to specific securities and to their issuers are provided purely for information purposes and should not be construed as a recommendation to buy or sell these securities.

Appendices

COMPANY	WEIGHT IN PORTFOLIO	NEC	SBTi target	SC ²⁰	SUSTAINABLE INVESTMENT	ENGAGEMENT BY SPICE ²¹ PILLAR
NEXTRACKER INC-CL A	1.55	62%	X	50%	Environment	
RENEWI PLC	1.53	81%	X	53%	Environment and Social	
SCA	1.40	64%	X	-2%	Environment	
ABB	1.31	11%	1.5°C	25%	Environment	
CAF	1.27	97%	X	75%	Environment and Social	
ENERGIEKONTOR	1.24	94%	X	50%	Environment and Social	
TOMRA SYSTEMS	1.23	85%	X	60%	Environment and Social	
MERSEN	1.19	18%	X	6%	Environment	
DEME GROUP	1.07	42%	X	0%	Environment	
BRAVIDA	1.07	13%	X	23%	Environment	
AURUBIS	0.94	11%	1.5°C	36%	Environment and Social	
ALSTOM	0.87	78%	1.5°C	84%	Environment and Social	
LHYFE	0.71	100%	X	50%	Environment and Social	
STEICO	0.59	56%	X	45%	Environment and Social	
ARISTON	0.48	33%	X	24%	Environment	
SIF HOLDING NV	0.36	94%	X	49%	Environment and Social	
AFYREN	0.18	69%	X	50%	Environment and Social	
VEOLIA	4.90	52%	Well below 2°C	43%	Environment and Social	Environment
VERBUND	1.84	93%	X	43%	Environment and Social	Environment
UMICORE	0.91	46%	1.5°C	26%	Environment	Environment
ORSTED	0.79	88%	1.5°C	45%	Environment and Social	Environment
ELIA	2.54	44%	Well below 2°C	25%	Environment and Social	Environment, Investors
ALFEN	0.56	53%	X	35%	Environment and Social	Environment, Investors
STMICROELECTRONICS (USD)	3.59	11%	1.5°C	28%	Environment and Social	Environment, Investors, People
BEFESA	2.14	45%	X	50%	Environment and Social	Environment, People
PRYSMIAN	2.88	28%	1.5°C	24%	Environment and Social	Investors

²⁰As of 1 January 2023, the Societal Contribution of products and services is no longer a selection criterion for the fund to invest, as the fund's sustainable investment objective is now exclusively environmental.

²¹SPICE stands for Society & Suppliers, People, Investors, Clients and Environment. For details on the information taken into account in our SPICE fundamental analysis model, see our ESG Integration Policy.

The information provided is not intended as an offer or a recommendation to buy or sell financial instruments of any kind. References to specific securities and to their issuers are provided purely for information purposes and should not be construed as a recommendation to buy or sell these securities.

INVENTORY OF COMPANIES HAVING ENTERED AND EXITED THE PORTFOLIO IN 2023

COMPANY	ENGAGEMENT
VOLTALIA	Investors
ARVERNE	Investors, People





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