

Pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name: SYCOMORE ALLOCATION PATRIMOINE
 Legal entity identifier: 9695 00M6AZQDFB4EF 50

Sustainable investment

means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The EU Taxonomy is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities. That Regulation does not include a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

Yes

No

It made **sustainable investments with an environmental objective: ___%**

in economic activities that qualify as environmentally sustainable under the EU Taxonomy

in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

It made **sustainable investments with a social objective: ___%**

It promoted **Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a minimum proportion of 71% of sustainable investments

with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy

with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy

with a social objective

It promoted E/S characteristics, **but did not make any sustainable investments**



Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

What environmental and/or social characteristics are promoted by this financial product?

As mentioned in the prospectus, the investment strategy of Sycomore Allocation Patrimoine, as a Feeder Fund investing at least 95% of its net assets in units of the Sycomore Next Generation fund (the 'Master Fund'), is socially responsible. Any environmental and/or social characteristics of the Feeder Fund shall be taken into account at the level of the Master Fund. The process of researching and selecting shares and bonds of private-sector issuers in the investment universe in all cases includes binding non-financial criteria and overweighs companies whose ESG criteria are consistent with the objective of sustainable growth. For Sycomore Next Generation, non-financial criteria are used to exclude companies with major sustainable development risks and to favour companies that tackle societal and environmental problems for future generations. Our stock selection is currently dominated by three key themes: job satisfaction, energy and environmental transition, and quality of life.

No benchmark has been defined to determine whether this financial product complies with the environmental and/or social criteria it promotes.

The Master Fund has made investments that meet the following environmental or social criteria:

For private issuers (equities and bonds):

- **A filter for selecting the main ESG opportunities:** Its objective is to promote businesses offering sustainable development opportunities divided into two subsets to be validated cumulatively:
 - A SPICE [\[1\]](#) rating above 2.5/5, reflecting our analysis of best practices in terms of sustainable development.
 - Companies issuing shares and/or bonds which satisfy at least one of the following, alternatively:
 - A Happy@Work rating strictly above 3/5 within the People pillar of our SPICE methodology;
 - A NEC [\[2\]](#) (Net Environmental Contribution) rating strictly superior to 0% within the Environment pillar of our SPICE methodology;
 - A societal contribution [\[3\]](#) strictly superior to 0% within the Environment pillar of our SPICE methodology;
 - A Good in Tech rating greater than or equal to 3/5 (which means that the company has a client risk rating greater than or equal to 3/5) within the Client pillar of our SPICE methodology. Through the Good in Tech rating, the Master Fund aims to invest in companies whose technological goods or services are to be used responsibly to reduce or to ban negative externalities on society and/or on the environment.
- A filter excluding the main ESG risks: any company that presents sustainable development risks. Identified risks concern non-financial practices and performances that could make companies less competitive. A company is thus excluded if it:
 - is involved in activities identified in the Sycomore AM SRI exclusion policy for their controversial social or environmental impacts, or
 - is subject to a level-3 (on a scale of 0 to 3) controversy.

For government bonds:

- A filter that excludes, based on the United Nations Global Compact: Countries that are not signatories to the UN Global Compact are excluded from the investment universe. In addition, countries targeted by international financial sanctions are also excluded.
- A selection filter, with a minimum rating in the Sycomore AM country rating model. The ESG rating model is based on 5 criteria: environment, governance, economic health, corruption and human rights, and social inclusion. A country is also automatically excluded if it has a score strictly below 1 for any given aspect.

[1] SPICE is an acronym for Suppliers & Society, People, Investors, Clients and Environment. This metric assesses companies' performance in terms of sustainability. It integrates the analysis of economic, governance, environmental, social and societal risks and opportunities into the commercial practices and product and service offerings of companies. The analysis framework includes 90 criteria from which a score of 1 to 5 is assigned to each letter of SPICE. These five scores are weighted according to the materiality of the company's impacts. More information (in French) on the metric is available on Sycomore AM's website: <https://fr.sycomore-am.com/documentation-esg?categoryKey=policies>

[2] For each activity, the NEC measures the degree to which the business model contributes to and is compatible with the energy and environmental transition and with the objectives of combating global warming. The NEC ranges from -100% for activities that are highly destructive of natural capital to +100% for activities with a highly positive net environmental impact, which are clear responses to environmental transition and climate. It covers five types of impact (climate, waste, biodiversity, water, air quality) in five areas (ecosystems, energy, mobility, construction, production). More information on the metric is available on the NEC Initiative website: <https://nec-initiative.org/>

[3] The Societal Contribution of products and services of a company is a quantitative metric with a range from -100% to +100%, combining the positive and negative societal contributions of the different products and services of a company.

The methodology is based on the societal aspects of the 17 UN Sustainable Development Goals (SDGs) and the 169 targets that make them up. This is a shared road map for both private and public stakeholders up to 2030, in order to create a better, more sustainable future for everyone. It also incorporates macroeconomic and scientific data from public institutions, as well as independent reference sources such as the Access to Medicine Foundation or the Access to Nutrition Initiative. More information (in French) on the metric on Sycomore AM's website: <https://fr.sycomore-am.com/documentation-esg?categoryKey=strategie>

● **How did the sustainability indicators perform?**

The Fund aims to outperform Euro Stoxx on:

- **Its NEC:** in 2024, the fund had a weighted average NEC of +8%, while Euro Stoxx had a weighted average NEC of 0%;
- **Societal Contribution:** in 2024, the fund had a weighted average Societal Contribution of +23%, while Euro Stoxx had a weighted average Societal Contribution of +19%;

● **... and compared to previous periods?**

In 2023, the fund showed:

- Weighted average NEC of +9%.
- Weighted average Societal Contribution of +21%.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

The sustainable investments made by the Fund contributed to:

- an environmental objective through a strictly positive net environmental contribution (NEC). 22% of the Fund's net assets were identified as contributing in this way
- A social objective, 28% of the Fund's net assets, among companies that have not contributed to an environmental objective, having been identified as contributing by this means, through at least one of these criteria:
 - A Societal Contribution of products and services greater than or equal to +30%, and as such contributing positively to the societal challenges identified by the UN Sustainable Development Goals.
 - A Good Job Rating of 55/100 or higher. This metric aims to assess on a scale of 0 to 100 the ability of a company to create sustainable and quality jobs for all, especially in regions where employment issues are present.
 - A Happy At Work Rating of 4.5/5 or higher. This analysis reflects the measure of well-being at work.

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

Two approaches are applied to all of the fund's investments to ensure that sustainable investments do not cause significant harm to any environmental or social objective of sustainable investment:

The SPICE methodology requires the analysis of more than 90 criteria, structured around five stakeholders:

- Society & Suppliers: Society & Suppliers;
- People: people;
- Investors: investors;
- Clients: clients;
- Environment: environment

Investments that would cause significant harm to one or more sustainable investment objectives are targeted and excluded from buy positions in the eligible investment universe through two mechanisms:

- A minimum threshold for the entire SPICE rating, set at 3/5 for each investment of the fund.
- Consideration of controversies associated with the issuer, which are reviewed on a daily basis using various external sources of information as well as an analysis of controversies carried out by an external service provider. Each controversy affects the issuer's SPICE rating. Severe controversies can lead to exclusion from the fund's investment universe.

More generally, Sycomore AM's Exclusion Policy^[1] adds restrictions on businesses deemed to be materially detrimental to at least one Sustainable Investment Objective.

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

[1]. More information (in French) on the exclusion policy is available at Sycomore AM's website: <https://fr.sycomore-am.com/documentation-esg?categoryKey=policies>

How were the indicators for adverse impacts on sustainability factors taken into account?

The SPICE methodology covers all environmental, social and governance issues targeted by the indicators of adverse impacts on sustainability factors listed in Delegated Regulation 2022/1288, supplementing SFDR with the Regulatory Technical Standards[1].

Of the 46 indicators of adverse impacts applicable to companies (14 indicators of the principal adverse impacts listed in Table 1 of the standard, as well as 32 additional indicators of adverse impacts listed in Table 2 and Table 3 of the standard), 42 indicators are part of the SPICE scope of analysis (23 environmental indicators and 19 social indicators), and 4 indicators are targeted by Sycomore AM's exclusion policy (1 environmental indicator and 3 social indicators).

More specifically, the SPICE fundamental analysis model is an integrated model that provides a holistic view of companies in the investment universe. It has been developed taking into account the OECD Guidelines for Multinational Enterprises. It fully integrates ESG factors to understand how companies manage negative impacts as well as key sustainable opportunities.

For example, reconciliations between adverse impact indicators of the Regulatory Technical Standard and SPICE analysis points include, but are not limited to:

Society & Suppliers (S): The Pillar S rating reflects the company's performance vis-à-vis its suppliers and civil society. The analysis concerns the societal contribution of products and services, corporate citizenship, and the subcontracting chain. Among the adverse impact indicators, the lack of a supplier code of conduct, the lack of protection for whistleblowers, the lack of a human rights policy, insufficient due diligence, the risks of human trafficking, child labour or forced labour, severe human rights violations, and risks related to anti-corruption policies, are part of the scope of this Society & Suppliers section.

People (P): Pillar P focuses on the company's employees and its human capital management. The analysis of this pillar covers the quality of the integration of employee-related issues, the development of employees and the measurement of employee engagement. Among the adverse impact indicators, the gender pay gap, the lack of parity on the board/supervisory board, the indicators related to workplace accident prevention policies and more broadly health and safety, the lack of grievance mechanisms, the existence of discrimination, or an excessive gap between the remuneration of the CEO and the median remuneration, are part of the scope of the People section.

Investors (I): Pillar I focuses on the relationship between companies and their shareholders and bondholders. The rating is determined based on an in-depth analysis of the shareholder and the legal structure of the company, the interactions and the balance of forces between the different actors: management, shareholders and their representatives, directors. The analysis also targets the company's business model and governance. Among the adverse impact indicators, the lack of parity on the board/supervisory board or an excessive gap between the CEO's remuneration and the median remuneration, are also discussed in this section.

Clients (C): Pillar C identifies clients as stakeholders in the company and focuses

on the quality of the offer made to the client as well as the quality of the client relationship.

Environment (E): Pillar E assesses the company's relationship to natural capital, which covers both the management of environmental issues, and the externalities, whether positive or negative, generated by the company's business model. The section specifically dedicated to the environmental footprint of operations takes into account indicators of adverse impacts, including greenhouse gas emissions, energy consumption, air pollution indicators, indicators related to water consumption and pollution, indicators of waste generation, or of damage to biodiversity. The section dedicated to transition risk, for its part, takes into account among the adverse impact indicators, the lack of initiatives to reduce greenhouse gas emissions, or activities in the fossil energy sectors.

Exclusion policy: Lastly, Sycomore AM's exclusion policy targets certain additional adverse impact indicators, including controversial weapons, exposure to fossil fuels or the production of chemicals (synthetic chemical pesticides). More generally, this exclusion policy was drafted to target companies that are not compliant with the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Once the analysis (SPICE analysis including the examination of controversies, and review of compliance with the exclusion policy) has been carried out, it affects investment decisions as follows:

- On the one hand and in line with the previous question, the analysis provides protection against possible material prejudice against a sustainable investment objective, excluding companies that do not provide the minimum guarantees;
- The investment file is also affected by the results of the analysis, at two levels:
 - Certain assumptions in the company's financial projections (growth, profitability, liabilities, acquisitions and disposals, etc.) may arise from SPICE analysis results;
 - Certain assumptions in the valuation model are systematically linked to the results of the SPICE analysis.

[1]<https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32022R1288&from=EN>

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

The development of Sycomore AM's SPICE analytical framework, as well as its exclusion policy, was based on the OECD Guidelines for Multinational Enterprises, the United Nations Global Compact, International Labour Organization standards and the United Nations Guiding Principles on Business and Human Rights.

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A company's fundamental analysis systematically requires examining its interactions with its stakeholders. This fundamental analysis was built to identify strategic challenges, business models, the quality of management and its level of commitment, and the risks and opportunities facing the company. Sycomore AM also drew up its Human Rights Policy^[1] in accordance with the United Nations Guiding Principles on Business and Human Rights.

However, due diligence carried out in order to detect possible violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights cannot guarantee their absence with certainty.

[1] Sycomore AM's Human Rights Policy is available here: <https://fr.sycomore-am.com/telecharger/1087821149>

The EU Taxonomy sets out a “do no significant harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific EU criteria.

The “do no significant harm” principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities.

The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.



How did this financial product consider principal adverse impacts on sustainability factors?

As specified in the previous subsection, the principal adverse impacts, in the same way as all other indicators of adverse impacts, are considered through SPICE Analysis and its results, supplemented by Sycomore AM's Exclusion Policy.



What were the top investments of this financial product?

The list includes the investments constituting the **greatest proportion of investments** of the financial product during the reference period, which is:

Largest investments	Sector	%	Country
Italy	Government Bonds	5.09	ITALY
Veolia Environnement SA	Utilities	3.38	FRANCE
United States	Government Bonds	2.68	UNITED STATES
LOXAM SAS	Industry	2.63	FRANCE
Renault SA	Consumer discretionary	2.63	FRANCE
ENEL	Utilities	1.63	FRANCE
Tereos UCA	Consumer non-cyclical	1.45	FRANCE
SCOR SE	Finance	1.24	FRANCE
IPD 3 BV	Telecommunication	1.23	NETHERLANDS

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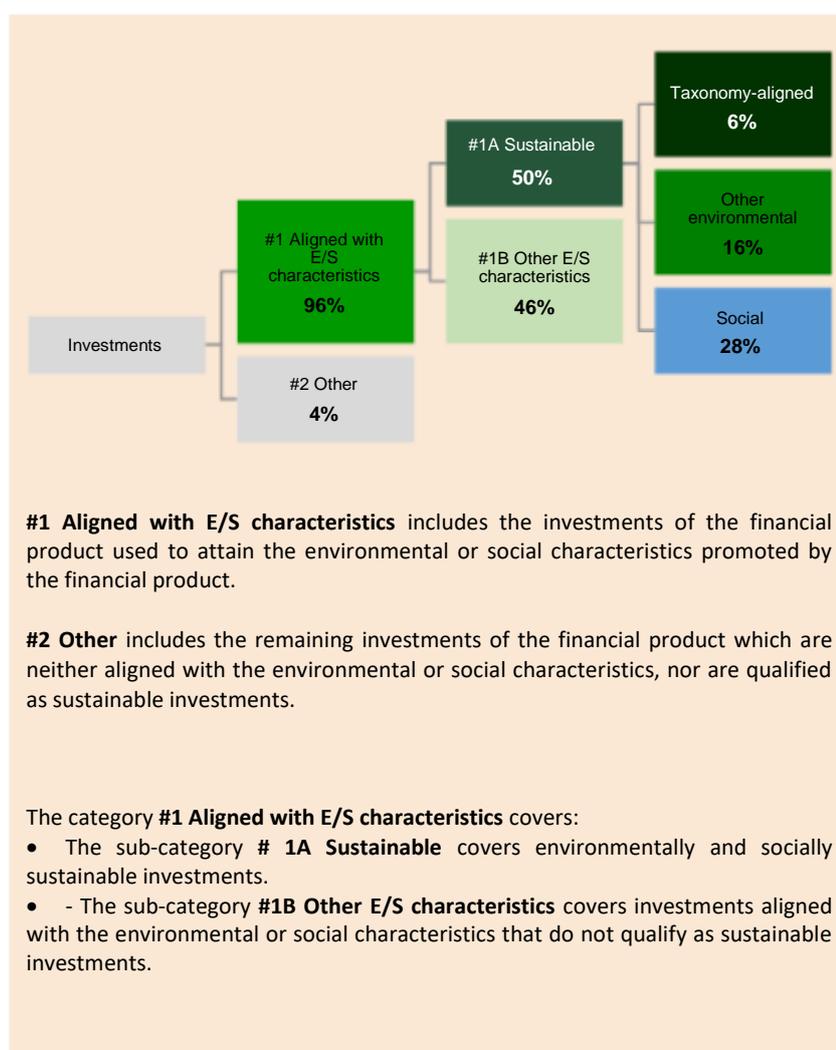
Largest investments	Sector	%	Country
Orange SA	Telecommunication	1.23	FRANCE
Iliad	Telecommunication	1.18	FRANCE
Banijay Entertainment	Telecommunication	1.15	FRANCE
Eramet	Materials	1.11	FRANCE
Solvay	Materials	1.10	BELGIUM
Altea	Real estate	1.08	FRANCE



Asset allocation describes the share of investments in specific assets.

What was the proportion of sustainability-related investments?

● What was the asset allocation?



● In which economic sectors were the investments made?

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Investments	%
Telecommunication	9.83
Finance	9.65
Consumer discretionary	9.01
Government	8.20
Industry	7.81
Utilities	5.95
Information Technology	5.06
Health	3.46
Materials	3.30
Consumer non-cyclical	2.92
Real estate	2.59
Energy	0.71

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.



To what extent were the sustainable investments with an environmental objective aligned with the EU Taxonomy?

- **Did the financial product invest in fossil gas and/or nuclear energy-related activities complying with the EU Taxonomy¹?**

Yes:

In fossil gas In nuclear energy

No

1. Fossil gas and/or nuclear-related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

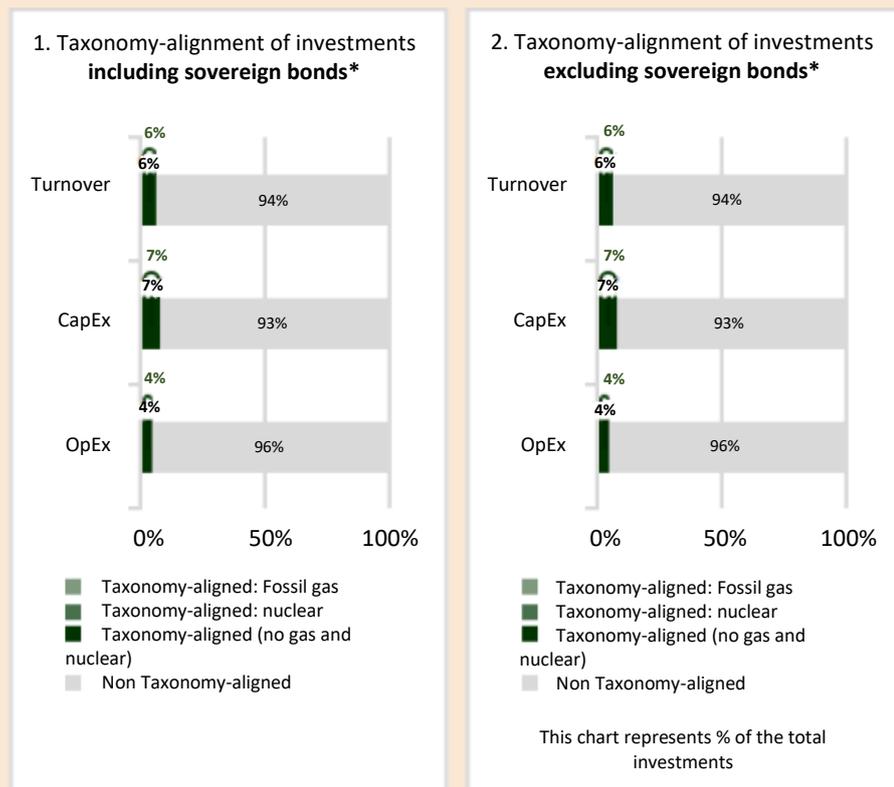
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Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

Taxonomy-aligned activities are expressed as a share of:

- **turnover** reflecting the share of revenue from green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx) reflecting green operational activities of investee companies.

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.*



● **What was the share of investments made in transitional and enabling activities?**

The information available at the date of this report does not make it possible to quantify these investments.

● **How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?**

The percentage of EU Taxonomy-aligned investments increased compared to last year (from 3% to 6%).



The symbol represents



What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

The proportion of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy is 16%.



What was the share of socially sustainable investments?

28% of the portfolio's investments were sustainable investments with a social objective.



What investments were included under "other", what was their purpose and were there any minimum environmental or social safeguards?

4% of the investments were in the "Other" category. They include cash instruments and derivatives.

These investments were not subject to minimum environmental or social guarantees.



What measures have been taken to attain environmental and/or social objectives during the reference period?

During the life of any investment made by the fund:

- On an *ex ante* basis (before investing in a company): each investment must meet the criteria set by the Fund.
- On an ongoing basis during the holding period and *ex post* (after divestment):
 - The analyses are updated periodically as events related to the company occur. Controversies, for example, are examined on a daily basis. Any event calling into question the company's eligibility for the fund's investment criteria, or falling within the scope of the exclusion policy applicable to the fund, would generate management acts, which could go as far as complete divestment, in accordance with Sycomore AM's internal procedures.
 - The commitment and exercise of voting rights during the holding of shares also add value in terms of sustainability. The commitment of the fund consists of:
 - Entering into dialogue with investee companies to understand their ESG issues;
 - Encouraging companies to disclose their ESG strategies, policies and performance;
 - After a controversy, encouraging the company to be transparent and take corrective measures;
 - On a case-by-case basis, participating in collaborative commitment initiatives;
 - Through the exercise of voting rights, asking questions, refusing resolutions, or supporting external resolutions.



How did this financial product perform compared with the reference benchmark?

The fund does not have an ESG benchmark index.

● **How did the reference benchmark differ from a broad market index?**

The fund does not have an ESG benchmark index.

Reference benchmarks are indexes to measure whether the financial product attains the

environmental or social characteristics it promotes.

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

The fund does not have an ESG benchmark index.

- ***How did this financial product perform compared with the reference benchmark?***

The fund does not have an ESG benchmark index.

- ***How did this financial product perform compared with the broad market index?***

The fund's performance is in line with the fund's official benchmark.