Periodic 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 NEXT GENERATION
Legal Entity Identifier : 2221 003RK7HRGQ2YS4 22
Publication date : 23/01/2026

Environmental and/or social characteristics

Did this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It made **sustainable investments with an environmental objective: ___%**	☒ It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of 55% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ 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	☒ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
☐ It made **sustainable investments with a social objective: ___%**	☒ with a social objective
	☐ It promoted E/S characteristics, **but did not make any sustainable investments**

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 anenvironmental objective might bealigned with theTaxonomy or not.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

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

As mentioned in the prospectus, the investment strategy of the Sub-Fund is socially responsible and based on a discretionary allocation of its net assets among several asset classes.

The process of researching and selecting shares and bonds of private-sector issuers in the investment universe in all cases includes binding extra-financial criteria and overweights companies whose ESG criteria are consistent with the objective of sustainable growth. In the context of Sycomore Next Generation, extra-financial criteria are used to exclude businesses carrying major sustainable development risks and to favour companies that are addressing societal and environmental issues for the benefit of future generations. Our stock picking is currently dominated by three key themes: fulfilment at work, the energy and environmental transition, and quality of life.

No reference benchmark has been designated to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

How did the sustainability indicators perform?

The Sub-Fund will measure the attainment of each of the environmental or social characteristics using the following sustainability indicators in the monitoring of invested securities:

- **Investee companies' SPICE rating**: SPICE[1] stands for Society & Subcontractors, People, Investors, Clients and Environment. This tool assesses the sustainable performance of companies. It integrates the analysis of economic, governance, environmental, social and societal risks and opportunities in business practices and in the products and services offering of companies. The analysis takes into account a set of criteria so that environmental issues account for 20% (SPICE score E), social issues 40% (scores S, P and C) and governance issues 20% (50% of score I).
- **On the societal side**: the **Societal Contribution**[2] **of products and services**. The Societal Contribution metric combines the positive and negative societal contributions of a company's products and services. The methodology draws on the societal aspects of the United Nations' 17 Sustainable Development Goals (SDGs) and their 169 sub-goals (or targets).
- **On the human capital side :** two metrics both addressing SDG 8 ("Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all"), as well as SDGs 3, 4, 5 and 10 for the first metric:
    - **The "Happy@Work" rating**[3] **:** the analysis framework provides a complete and objective assessment of the level of well-being at work.
    - **The "Good Jobs" Rating**[4] which is a quantitative metric designed to assess – on a scale of 0 to 100 – a company's overall ability to create durable and quality jobs for all, and particularly in areas (regions or countries) where employment is relatively scarce and therefore needed to ensure sustainable and inclusive economic growth.
- **On the environmental side** : The **NEC**[5] (Net Environmental Contribution). The NEC measures the extent to which a company's business model contributes to the ecological transition. The resulting score ranges from -100% for businesses that are highly damaging to the environment, to +100% for companies with a strong positive net impact. The NEC covers five impact categories (issues: climate, waste, biodiversity, water, air quality) by group of activities (contributing areas: ecosystems, energy, mobility, construction, production).

- Investee companies' **Good in Tech rating**.
- Issuing States' **compliance with the United Nation Charter**.
- Issuing States' **compliance with the Investment Manager's country rating model**.
- Investee companies' **compliance with Investment Manager's SRI exclusion policy.**
- Investee companies' **compliance with the controversy analysis process** of the Investment Manager.
- Investee companies' **compliance with the PAI policy** of the Investment Manager.

Moreover, the Sub-Fund will also report on the two following indicators against its benchmark:

- Net Environmental Contribution: 8% versus 2% for the Eurostoxx Net Return.
- The overall Green Gas House (GHG) intensity: 612 kg.eq.CO2/k€ versus 1013 kg.eq.CO2/k€ for the Eurostoxx Net Return.

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[1] More information can be found on the website page indicated at the end of this document.
[2] Ibid
[3] Ibid
[4] Ibid
[5] Ibid

… and compared to previous periods?

As of end of 2024:

- Net Environmental Contribution: 8% versus 0% for the Eurostoxx Net Return.
- The overall Green Gas House (GHG) intensity: 638 kg.eq.CO2/k€ versus 940 kg.eq.CO2/k€ for the Eurostoxx Net Return.

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 Sub-Fund will partially make **sustainable investments with a social or environmental objective.** Investments are qualified as sustainable if they are identified as making a positive contribution to environmental or social issues through their products or services or through their practices.

The qualification of a sustainable investment requires 1/ the achievement of a minimum score on at least one of the positive contribution indicators of the definition of sustainable investment established by Sycomore AM, 2/ the absence of significant harm, 3/ good governance practices. These elements are detailed in Sycomore AM's ESG integration policy.

It is worth noting that the Sub-Fund commits to invest a minimum of 25% of its net assets in underlying assets qualifying for sustainable investments under the conditions set forth in this document, regardless of whether their objective is environmental or social.

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

Four layers are implemented to avoid occurrence of significant harm to any environmental or social sustainable investment objective, on an ex ante basis, prior to any investment-decision.

Indeed, investments targeted by one or more of the criteria below will not be considered as a sustainable investment:

- **As per the Management Company SRI exclusion policy** : activities are restricted for their controversial social or environmental impacts, as defined and revised annually in Sycomore AM's core policy (applicable to all Sycomore AM's direct investments), and in the Socially Responsible Investment Policy (SRI) policy (applicable to all open-ended UCITs, mandates and dedicated funds managed according to an SRI strategy).

- **Companies affected by a level 3/3 controversy** : identified based on the Investment Manager's thorough analysis of controversies. The most severe controversy classification (-3 on Sycomore AM's scale, which range from 0 to -3 such companies are considered in violation of one of the principles of the United Nations' Global Compact.

- **SPICE rating below 3/5** : The SPICE methodology covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the draft Regulatory Technical Standards. A lower rating, below 3/5, indicates a lower sustainability performance on one or more adverse impacts.

- **As per Sycomore AM's Principle Adverse Impact (PAI) policy**[6] : a PAI policy applied to identify further potential significant harm across environmental and social matters targeted by the PAI indicators listed in Table 1 of Annex I is implemented. Companies meeting any exclusion criterion regarding GHG emissions, biodiversity, water, waste, gender equality, UN Global Compact principles/OECD Guidelines for Multinational Enterprises compliance, or controversial weapons, will be reported as "not sustainable".

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[6] More information can be found on the website page indicated at the end of this document.

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.

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

Adverse impacts on sustainability factors involve indicators at two levels:

1. **For sustainable investments only**: a PAI policy directly drawing from indicators of Table 1 of Annex I and any relevant indicators in Tables 2 and 3.
2. **For all investments of the financial product**: the SPICE analysis covers all issues targeted by all adverse sustainability indicators, with ability to use them to feed the analysis.

PAI policy: each sustainability factor targeted by Table 1 of Annex I was associated with an exclusion criterion detailed in Sycomore AM's PAI policy.

SPICE rating:
The SPICE methodology covers all environmental, social and governance issues targeted by the indicators for adverse impacts on sustainability factors listed within the Regulatory Technical Standards.

More specifically, Sycomore AM's fundamental analysis model SPICE, is an integrated model, allowing to get a holistic view of companies of the investment universe. It was built taking into account OECD guidelines for Multinational Enterprises. It fully integrates ESG factors to capture how companies are managing adverse impacts as well as key sustainable opportunities following a double materiality approach. Sycomore AM's PAI policy details how the issues covered by PAIs are covered by SPICE.

Exclusion policy: Finally, Sycomore AM's exclusion policy targets adverse sustainability impact indicators including controversial weapons, exposure to fossil fuel sector, chemical pesticide production, and more broadly was drafted to target companies in breach of the UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.

Once the analysis – SPICE analysis including review of controversies, exclusion policy compliance, PAI policy compliance – is performed, it impacts investment decisions in the following ways:

- As indicated in the previous question, it provides a safeguard against significant harm to any sustainable investment objective, by excluding companies not meeting minimum safeguard requirements;
- It also impacts the investment decisions in two ways: 1. assumptions related to the company's prospects (growth and profitability forecasts, liabilities, M&A, etc.) can be fed by certain SPICE outputs as relevant, and 2. some core assumptions of valuation models may be linked to SPICE outputs.

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 analysis framework "SPICE" as well as the exclusion policy have been inspired by the OECD's Guiding Principles for multinational companies, the United Nations' Global Compact, the International Labour Organization's international standards and the UN Guiding Principles on Business and Human Rights. To assess the fundamental value of a company, analysts systematically examine how a firm interacts with its stakeholders. This fundamental analysis is designed to understand strategic challenges, business models, quality of governance and degree of integration of sustainability issues, as well as the risks and opportunities faced by the company. Sycomore AM has also defined its Human Rights Policy in compliance with the UN Guiding Principles on Business and Human Rights.
Despite the above-described due diligence set to detect potential breaches of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, actual compliance of the analyzed issuers can never be guaranteed.

The EU Taxonomy sets out a "do not significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy

objectives and is accompanied by specific Union criteria.

The "do not 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 environmentaly sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.



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

as indicated in the previous sub-section:

- Principal adverse impacts, as well as all other adverse impacts, are considered for any investment of the portfolio through SPICE analysis and outputs, complemented by Sycomore AM's exclusion policy.
- In addition, to qualify as a sustainable investment, any investment must comply with the PAI policy specifically addressing principal adverse impacts.

Information on principal adverse impacts on sustainability factors shall be made available in the annual report of the fund.



What were the top investments of this financial product?

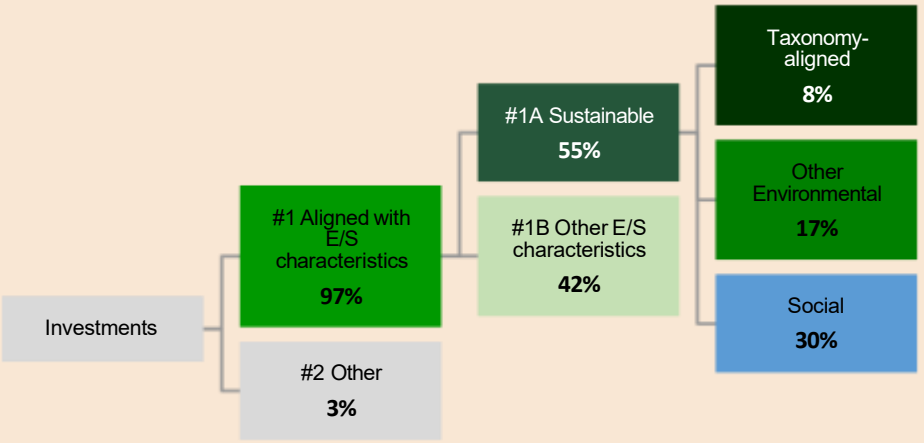
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest Investments	Sector	% Assets	Country
Vigie SA	Utilities	2.55	FRA
LOXAM SAS	Industrials	2.12	FRA
SYCOMORE SELECTION CREDIT FCP	Credit fund	1.89	EUR
Enel SpA	Utilities	1.58	ITA
Orange SA	Communication Services	1.36	FRA
Altarea SCA	Real Estate	1.35	FRA
Mobilux Finance SAS	Consumer Discretionary	1.35	FRA
Italy	Govies	1.32	ITA
Roquette Freres Societe anonyme	Health Care	1.31	FRA
Forvia SE	Consumer Discretionary	1.23	FRA
Prysmian S.p.A.	Industrials	1.16	ITA
Lutech	Information Technology	1.15	ITA
Credit Agricole Assurances SA	Financials	1.11	FRA
Tereos	Consumer Staples	1.11	FRA
Banijay	Communication Services	1.09	FRA

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remainings investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

The category **#1 Aligned with E/S characteristics** covers:

- The sub-category **#1A Sustainable** covers environmentally and socially sustainable investments.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environemental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

Sector	%
Industrials	12.87
Financials	12.04
Consumer Discretionary	11.63
Communication Services	8.78
Utilities	6.05
Health Care	5.26
Information Technology	5.09
Materials	3.83
Real Estate	3.82
Consumer Staples	3.61

Sector	%
Govies	2.50
test	2

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.

Transitional activities are economic activities for which low-carbon alternatives are not yet available and that 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

To what extent were 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 Taxonomy [1] ?

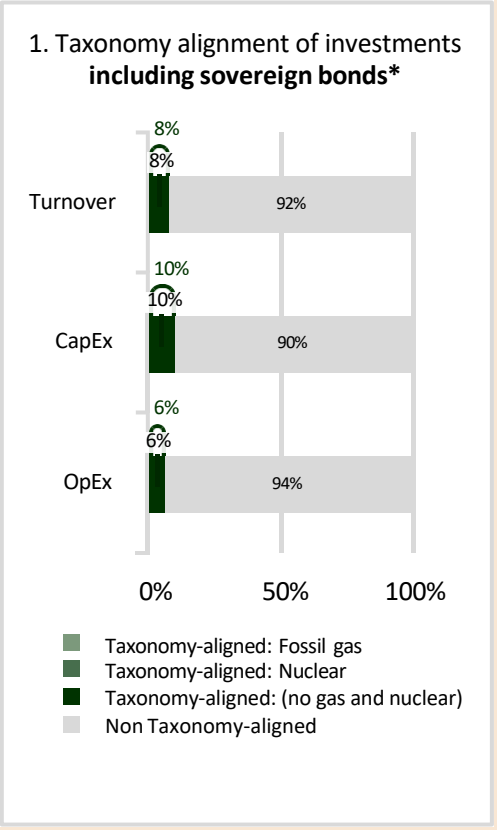
☐ Yes:

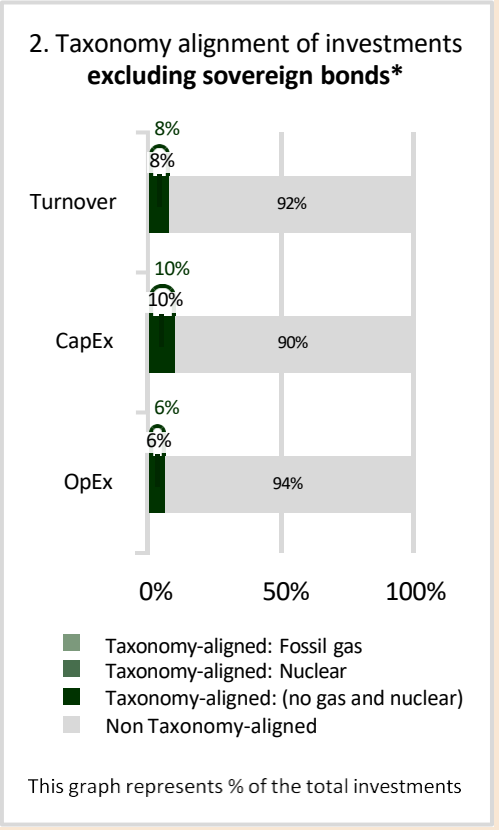
☐ In fossil gas ☐ In nuclear energy

☒ 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 objectives - 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.

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.





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*

companies, e.g. for a transition to a green economy.

- **Operational expenditure** (OpEx) reflecting green operational activities of investee companies.

MSCI Data
Turnover coverage: 74%
Capex coverage: 48%
Opex coverage: 39%

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

  The share of investments made in transitional and enabling activities is 5%.

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

  The percentage of investments aligned with the EU Taxonomy has increased compared to last year. (from 6% to 8%)


are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.



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

The share of sustainable investments with an environmental objective not aligned with the EU Taxonomy represents 17%.



What was the share of socially sustainable investments?

The share of socially sustainable investments represents 30%.



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

3% were reported above as "other", and include cash and derivatives instruments. They were not associated with minimum environmental or social safeguards.



What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The following binding criteria apply to the Sub-Fund.

<u>At investee level</u>, the Sub-Fund will make investment with environmental or social characteristics :

- A **filter of selection** of the main ESG opportunities: its objective is to promote businesses offering sustainable development opportunities, by selecting companies issuing shares and/or bonds which satisfy at least one of the following, alternatively:

o A **Happy@Work rating** strictly above 3/5 within the People pillar of our SPICE methodology;
o A **NEC** (Net Environmental Contribution) strictly superior to 0% within the Environment pillar of our SPICE methodology;
o A **Societal Contribution** strictly superior to 0% within the Society pillar of our SPICE methodology;
o 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 Sub-Fund aims at investing 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 of exclusion** based on key ESG risks: Companies are excluded if the sustainability risks identified are likely to jeopardize their competitiveness or have a

major negative impact. A company is thus excluded if:

o it is involved in activities identified in Sycomore AM SRI exclusion policy for their controversial social or environmental impacts, or
o obtained a SPICE rating less than or equal to 2.5/5, or
o if the company is affected by a level 3/3 controversy.

In addition, the Sub-Fund excludes investments in companies referred to in the Paris-aligned Benchmark (PAB) exclusions (Article 12(1)(a) to (g) of CDR (EU) 2020/1818). In case of overlap between two exclusions applied by the Sub-Fund, the stricter threshold shall apply.

For sovereign bonds:

- **A filter of exclusion:** based on the United Nations Charter: countries that are not signatories United Nations Charter are excluded from the investment universe. In addition, Countries that are targeted by international financial sanctions are also excluded.
- **A filter of selection:** with a minimum rating in Sycomore AM country rating model. The ESG rating model is based on 5 criteria categories: environment, governance, economic health, corruption and human rights, social inclusion. A country is also automatically excluded if it has a rating strictly under 1 on any given pillar.

At product level, the Management Company aims at having a better result compared to the Sub-Fund's Benchmark on the two following indicators:

- Net Environmental Contribution;
- GHG intensity of investee companies.

In addition, the Sub-Fund commits to the following binding element:

- At least 25% of the net assets of the Sub-Fund are invested in sustainable investments, either with an environmental objective, or a social objective. It is worth noting this percentage is expressed in relation to the fund's net assets. When it comes to Sub-Fund's investments in companies, the Sub-Fund commits to invest a minimum share of 50% in companies qualifying for sustainable investments under the conditions set forth in this document, i.e. 50% of the invested companies qualify as sustainable investments.



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

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The fund has no reference benchmark.

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

The fund has no reference benchmark.

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 characteristcs promoted?

The fund has no reference benchmark.

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

The fund has no reference benchmark.

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

The fund outperformed the broad market index.