SYCOMORE SELECTION MIDCAP

Prospectus

03/11/2025

UCITS under European Directive 2009/65/EC

1. General characteristics

1.1. Legal form of the UCITS

Fonds Commun de Placement (French Common Fund – FCP)

1.2. Name

Sycomore Sélection Midcap

1.3. Legal form and Member State in which the UCITS was created

Investment fund in the form of a French *Fonds Commun de Placement*, governed by French law.

1.4. Inception date and expected term

The Fund was created on 10 December 2003 for a duration of 99 years from that date.

1.5. Fund overview

Unit Class	ISIN Code	Allocation of distributable sums	Base currency	Target investors	Minimum subscription
A	FR0010376343	Accumulation	EUR	All subscribers	None
I	FR0013303534	Accumulation	EUR	“Eligible counterparty” subscribers within the meaning of Directive 2004/39/EC, “professional investor” subscribers within the meaning of section I of annex II of Directive 2014/65/EC, and all subscribers within the framework of discretionary management services or investment advice on an independent basis within the meaning of Directive 2014/65/EC, for which the providers of these services are not allowed to accept and retain fees, commissions or any monetary or non-monetary benefits paid or provided by the management company or by the marketing agent of the Fund (“clean share” units).	None

ID	FR0013527983	Accumulation and/or Distribution	EUR	"Eligible counterparty" subscribers within the meaning of Directive 2004/39/EC, "professional investor" subscribers within the meaning of section I of annex II of Directive 2014/65/EC, and all subscribers within the framework of discretionary management services or investment advice on an independent basis within the meaning of Directive 2014/65/EC, for which the providers of these services are not allowed to accept and retain fees, commissions or any monetary or non-monetary benefits paid or provided by the management company or by the marketing agent of the Fund ("clean share" units).	None
R	FR0010376368	Accumulation	EUR	All subscribers	None
X	FR0010865980	Accumulation	EUR	All subscribers, especially UCITS managed by SYCOMORE AM or by its subsidiaries	None
Z	FR0014006PX1	Accumulation	EUR	"Eligible counterparty" subscribers within the meaning of Directive 2004/39/EC and "professional investor" subscribers within the meaning of section I of Annex II of Directive 2014/65/EC, subject to prior approval by the management company.	None

1.6. The latest annual report and interim statement can be obtained as follows:

The latest annual and interim reports will be sent within eight working days upon written request by a unitholder to:

Sycomore Asset Management, SA
14, Avenue Hoche
75008 Paris, France
Tel.: +33 (0)1 44 40 16 00
Email: info@sycomore-am.com

Additional information may be obtained if necessary from the investor relations service.

2. Stakeholders

2.1. Management Company

Sycomore Asset Management, SA. Approved by the *Autorité des marchés financiers* (French Financial Markets Authority – AMF) as a French Portfolio Management Company (*Société de Gestion de Portefeuille*) under no. GP 01-30 with registered offices located at 14, Avenue Hoche, 75008, Paris, France.

2.2. Depositary and custodian

BNP Paribas SA. Establishment approved by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR) whose registered office is located at 16, Boulevard des Italiens, 75009 Paris, France, and whose postal address is at 9, Rue du Débarcadère, 93500 Pantin, France, registered with the Paris Trade and Companies Register under number 662 042 449.

<u>Description of the Depositary's responsibilities and of the potential conflicts of interest</u>:
The depositary exercises three types of responsibilities, respectively the control of the legality of decisions taken by the management company (as defined in Article 22.3 of the UCITS V Directive), the monitoring of cash flow for the UCITS (as defined in Article 22.4 of said Directive) and the safekeeping of assets of the UCITS (as defined in Article 22.5 of said Directive).

The main responsibility of the Depositary is to always protect the interests of unitholders/investors in the UCITS above their own commercial interests.

Potential conflicts of interest may be identified, particularly in the case where the management company also has a commercial relationship with BNP Paribas SA in addition to its appointment as Depositary (which may be the case when BNP Paribas SA calculates, by delegation from the management company, the net asset value of a UCITS whose depositary is BNP Paribas SA).

In order to manage such situations, the Depositary has set up and maintains a policy for the management of conflicts of interest. The objectives of such a policy are:

- identifying and analysing potential situations of conflicts of interest;
- recording, managing and monitoring the conflict of interest situations by:
  - using the permanent measures implemented in order to manage conflicts of interest, such as the segregation of duties, the split between the functional and hierarchical reporting lines, the monitoring of internal insider lists, and dedicated IT environments;
  - implementing on a case-by-case basis:
    - appropriate preventive measures, such as the creation of ad hoc monitoring, new "Chinese walls", or checking that transactions are processed in an appropriate way and/or informing the relevant clients;
    - or refusing to handle business that could give rise to conflicts of interest.

<u>Description of potential duties delegated by the Depositary, list of delegates and sub-delegates and identification of the conflicts of interest that may result from such delegation</u>:
The UCITS Depositary, BNP Paribas SA, is responsible for the safekeeping of the assets (as defined in Article 22.5 of

the aforementioned directive). In order to offer services related to the safekeeping of the assets in a large number of countries, enabling the UCITS to achieve their investment objectives, BNP Paribas SA has appointed sub-custodians in countries where BNP Paribas SA has no local presence. These entities are listed on the following website: https://securities.cib.bnpparibas/all-our-solutions/asset-fund-services/depositary-bank-trustee-services-2/.
The process of appointing and supervising the sub-custodians follows the highest standards of quality, including managing potential conflicts of interest that may arise in the context of such appointments.

The most recent information regarding the previous points is available to investors upon request.

2.3. Delegated institution in charge of the centralisation of subscription and redemption orders

Sycomore Asset Management SA has delegated all centralisation tasks for subscription and redemption orders to the following institutions:

<u>For pure registered shares to be registered or registered in the shared electronic registration system</u>:
IZNES SAS. Establishment authorised by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR), on 22 June 2020, whose registered office is at 18, Boulevard Malesherbes, 75008 Paris, France, registered with the Paris Trade and Companies Register under number 832 488 415.

<u>For all other units</u>:
BNP Paribas SA. Establishment approved by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR) whose registered office is located at 16, Boulevard des Italiens, 75009 Paris, France, and whose postal address is at 9, Rue du Débarcadère, 93500 Pantin, France, registered with the Paris Trade and Companies Register under number 662 042 449.

Each of the establishments will assume, by delegation from the Management Company, all of the tasks relating to the centralisation of subscription and redemption orders for units of the UCI, and according to the distribution defined above, BNP Paribas SA is in charge, at the Fund level, of aggregating the information relating to the centralisation carried out by IZNES.

2.4. Fund unit registrar

<u>For bearer/administered registered units to be registered or registered with Euroclear</u>:
BNP Paribas SA. Establishment approved by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR) whose registered office is located at 16, Boulevard des Italiens, 75009 Paris, France, and whose postal address is at 9, Rue du Débarcadère, 93500 Pantin, France, registered with the Paris Trade and Companies Register under number 662 042 449.

<u>For pure registered shares to be registered or registered as part of the shared electronic registration system</u>:
IZNES SAS. Establishment authorised by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR), on 22 June 2020, whose registered office is at 18, Boulevard Malesherbes, 75008 Paris, France, registered with the Paris Trade and Companies Register under number 832 488 415.

2.5. Statutory Auditor

PricewaterhouseCoopers Audit, represented by Frédéric Sellam, 63 rue de Villiers, 92200 Neuilly-sur-Seine, France.

2.6. Marketing Agents

Sycomore Asset Management and its subsidiaries.
The list of marketing agents is not comprehensive insofar as the investment fund is listed on Euroclear. Therefore some marketing agents may not be mandated by, or known to the management company.

2.7. Delegated fund accountant

BNP Paribas SA. Establishment approved by the French Prudential Control and Resolution Authority (*Autorité de Contrôle Prudentiel et de Résolution* – ACPR) whose registered office is located at 16, Boulevard des Italiens, 75009 Paris, France, and whose postal address is at 9, Rue du Débarcadère, 93500 Pantin, France, registered with the Paris Trade and Companies Register under number 662 042 449.

2.8. Institution responsible for receiving and transmitting orders from the management company

Sycomore Global Markets, a *société anonyme* (French public limited company) acting as tied agent of Generali Asset Management S.p.A., a *società di gestione del risparmio* (Italian asset management company), *w*hose registered office is located at 14, Avenue Hoche, 75008 Paris, France. Sycomore Global Markets may receive orders initiated by the management company on behalf of the Fund to ensure the transmission of such orders to market intermediaries and counterparties with the primary mission of seeking the best possible execution of such orders.

3. OPERATING AND MANAGEMENT PROCEDURES

3.1. General characteristics

3.1.1. Unit class characteristics

Nature of the rights attached to the units: the various units represent rights in ownership, i.e. each unitholder has a joint ownership right over the Fund's assets in proportion to the number of units held.

Securities administration: as part of the Fund's liability management, the functions of centralising subscription and redemption orders are performed by BNP Paribas SA for bearer/administered registered units to be registered or registered in EUROCLEAR and by IZNES SA for units to be registered or registered purely in the shared electronic registration system (*Dispositif d'Enregistrement Electronique Partagé* – DEEP), with the unit issuer account keeping being performed by BNP Paribas SA. These tasks are carried out by delegation from the management company.

Voting rights: no voting rights are attached to the units as decisions are made by the management company.

Form of units: units shall be issued in bearer, administered registered or pure registered form, the latter hypothesis particularly regarding the units that will be registered in the IZNES shared electronic registration system (*Dispositif d'Enregistrement Electronique Partagé – DEEP*) for subscribers that will have access to this system.

Subdivision of units: fund units are decimalised in hundred thousandths (e.g.0.00001). Subscription and redemption orders may be expressed in a fractions of units or in cash value.

3.1.2. Accounting year-end

Last trading day in December.
(NB: from the date of the initiation of the Fund until 30 June 2024, the closing date of the Fund is the last trading day in June. An extraordinary six-month financial year took place from 1 July 2024 to 31 December 2024).

3.1.3. Tax regime

The Fund is not taxable per se. Unitholders may, however, be liable to tax upon the sale of their units. The tax regime governing capital gains or losses by the Fund, whether unrealised or realised, depends on the tax provisions applying to the specific case of each investor and their tax domicile and/or the Fund's investment jurisdiction. Investors who are unsure of their tax situation should seek advice from an advisor or a financial professional.

PEA (*plan d'épargne en actions* – French personal equity savings plan) eligibility: this fund is eligible for the PEA.

3.1.4. Information on SRI certification

The Fund has a French SRI label and/or a foreign equivalent.

3.2. Specific provisions

3.2.1. ISIN Codes

Unit Class	ISIN Code
A	FR0010376343
I	FR0013303534
ID	FR0013527983
R	FR0010376368
X	FR0010865980
Z	FR0014006PX1

3.2.2. Classification

European Union equities.

As required by its classification, at least 60% of the Fund is permanently exposed to one or more of the equity markets of one or more European Union countries, which may include the eurozone countries.

3.2.3. Investment objective

The aim of the Fund is to outperform its benchmark index, the MSCI EMU SMID CAP Net Return index (dividends reinvested), net of fees, over a minimum investment period of five years, by investing primarily in companies headquartered in European Union member countries with a market capitalisation of less than EUR 15 billion. The Fund is classified under Article 8 of SFDR and includes environmental, social and governance (ESG) criteria in its selection process.

3.2.4. Benchmark index

MSCI EMU SMID CAP Net Return (dividends reinvested) (MSSLEMUN Index).

This index measures the evolution of mid and small caps in fifteen developed countries in Europe, all sectors combined. The administrator of the MSCI EMU SMID CAP Net Return index is MSCI and is registered in the benchmark administrators register maintained by ESMA. Additional information about this index is available at https://www.msci.com/.

In accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, Sycomore Asset Management has a procedure for monitoring the benchmark indices used describing the measures to be implemented in case of substantial changes made to an index or the cessation of the provision of that index.

3.2.5. Investment strategy

Description of the strategy used:

The Fund’s investment strategy is based on a net asset exposure of 60% to 100% to European Union equities. These shares are selected based on a thorough fundamental analysis of companies that includes environmental, social, and governance criteria, without sector restrictions but with a capitalisation constraint, with 51% of net assets at all times exposed to shares of small and/or mid-cap companies, i.e. those with a market capitalisation of less than EUR 15 billion. This process aims to identify quality companies whose market valuation offers appreciation potential as determined by the management team.

The FCP is permanently invested at a minimum of 75% of its net assets in shares issued by companies that meet the eligibility criteria for the PEA, i.e. in a member state of the European Union or in another state which is party to the agreement on the European Economic Area and which has signed an administrative assistance agreement with France for the purpose of fighting tax fraud and evasion (Iceland, Norway and Liechtenstein).

Up to 10% of net assets may be exposed to equities of companies headquartered outside the European Union, including in emerging countries, selected under the same conditions.
The Fund's investment strategy is based on active discretionary management: The Fund does not seek to replicate the composition of its benchmark index, either by sector or by region. The weighting of each company in the portfolio is therefore entirely independent from the weight of the same company in the index, and it may well be that a company whose securities are held in the portfolio is not a benchmark index component, or that a company which is heavily weighted in the benchmark is not included in the Fund portfolio.

In addition to these equity investments, which represent the Fund's core investment strategy, the management team may expose the net assets to the following financial instruments:

1. Bonds, including convertible bonds and other euro-denominated debt securities, without sector or regional restrictions, with a minimum rating of BBB-; exposure to these financial instruments may not exceed 25% of the Fund's net assets. This selection is also free of sector constraints, and it includes non-financial criteria, which lead to the selection of issuers with ESG criteria that are relevant to the overall analysis of issuer risk.

2. Money market instruments. The management team may thus expose up to 25% of the Fund's net assets to money-market type instruments such as treasury bills and bonds issued by local authorities, certificates of deposit, commercial paper, medium-term notes and bankers' acceptances.

3. European UCITS and/or AIFs governed by French law, up to a limit of 10% of the Fund's net assets. These investments may be made in line with the investment strategy (equity, mixed or bond UCIs) or in order to manage the Fund's cash flow (money market UCIs). These UCIs have obtained or are committed to obtaining within one year the SRI (Socially Responsible Investment) label.

4. Financial futures traded on regulated and/or over-the-counter markets (CFDs) to hedge or increase the exposure of the portfolio to international equity markets, without exceeding portfolio exposure limits of the total value of the fund's net assets. The policy for the use of derivatives is consistent with the Fund's objectives and is consistent with its aim for a long-term perspective. It does not undermine the ESG selection policy in a significant or lasting manner. The use of financial derivatives is limited to techniques for efficient management of the portfolio of securities in which the Fund is invested. The Fund may not hold short positions in an asset selected as ESG according to its own ESG asset selection method.

In all cases the Fund's exposure to currency risk against the euro, as a result of investments, will be limited to 25% of net assets, whether the currencies are within or outside the European Union. In accordance with the AMF classification "European Union Equities", exposure to currency risk linked to currencies of countries located outside the European Union may not exceed 10% of net assets.

<u>ESG analytical approach</u>

The ESG (Environment, Social, Governance) analysis, rating and selection process is a fully integrated component in the fundamental analysis of companies in our investment universe and covers at least 90% of the Fund's net assets (excluding cash and UCIs).

This analysis and rating process, conducted according to our proprietary SPICE (*Society & Suppliers, People, Investors, Clients, Environment*) methodology, aims in particular to gauge how a company's value-added is shared among stakeholders (investors, environment, clients, employees, suppliers and society), as we are convinced that fair distribution is an important factor in a company's long-term viability. The relative weight for each of the three areas, E (Environment), S (Social) and G (Governance) in the SPICE rating are, by default, as follows: 20% for the Environment, 40% for Social (covered by the letters "S" (*Society & Suppliers*), "P" (*People*) and "C" (*Clients*)) from the acronym SPICE, and 20% for Governance, the latter representing 50% of the letter "I" (*Investors*) (the latter therefore representing 40% of the SPICE rating). These weights vary depending on the sector, maintaining at least 20% for each area E, S and G. The application of this methodology leads to the award of a SPICE rating between 1 and 5 (5 being the highest rating). These ratings are determined using ESG data from external providers supplemented, where necessary, by internal analyses performed mainly using publicly available information and other external sources. More detailed information is available in our ESG Integration Policy available on our website, www.sycomore-am.com.

The management team also relies on SRI exclusions (no investments in activities with a proven adverse impact on society or the environment), shareholder engagement (promotion of the company's ESG practices, particularly through the vote in a general meeting), and best in universe (selection of the best issuers in the investment universe) and best effort approaches (investment in companies making visible efforts on sustainable development, even though they would not yet be among the best in the ESG investment universe).

<u>Construction of the investment universe and ESG selectivity</u>

The starting universe consists of companies domiciled in Europe, mainly in the European Union, from all sectors covered by our ESG data providers, plus in a minority way a set of securities subject to in-house analysis with information collected by our analysts. An additional filter is applied on the capitalisation (between EUR 150 million and EUR 30 billion) and daily liquidity of companies, to ensure investable nature within the framework of the Fund's management strategy.

In order to ensure that the Fund's investment policy is representative, the geographical/sector/capitalisation target weights of this starting universe are calibrated based on the weights of the benchmark index, adjusted if necessary in order to be closer to the Fund's strategy and its historical weights.

From this starting universe, the various ESG filters detailed in the SFDR precontractual information document attached to this Prospectus, which are based in particular on the SPICE ratings mentioned above, are applied. All such securities form part of the Fund's investment universe. The application of these ESG filters as well as the construction of the portfolio make it possible to obtain a weighted average ESG rating of the portfolio higher than the weighted average ESG rating of the starting universe, after eliminating the 25% worst stocks based on the ESG rating and all the exclusions applied by the Fund. The threshold will be raised to 30% on 1 January 2026.
The management team may select securities outside of the securities included in its initial investment universe,

subject to a limit not exceeding 10% of this initial universe.

SFDR classification

Given the environmental and/or social characteristics promoted by the Fund, it will fall under Article 8 of the SFDR (Regulation 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector). The information relating to the environmental and social characteristics promoted by the fund is available in the SFDR precontractual information document attached to this Prospectus.

Asset classes and financial futures used:

Equities:

The Fund is classified as "European Union Equities". As such, between 60% and 100% of the Fund's net assets are permanently exposed to European Union equities, with the portfolio remaining at least 75% invested, at all times, in equities eligible for the French personal equity savings plan (*Plan d'épargne en actions* – PEA).

The selection of these shares is carried out without any sector restrictions, but with a capitalisation restriction, as at least 51% of net assets must be exposed at all times to the shares of small and/or mid-cap companies, i.e. those with a market capitalisation of less than EUR 15 billion.

Up to 10% of net assets may be exposed to equities of companies headquartered outside the European Union, including in emerging countries.

Debt securities and money market instruments:

Net assets may include between 0% and 25% bonds, including convertible bonds and other debt securities, denominated in euro, without any sector or geographical restrictions and with a minimum rating of BBB-. They are selected based on issuers' credit ratings and proposed yield without reference to a modified duration target for the portfolio.

As part of the FCP's cash flow management, up to 25% of its net assets may consist of money market instruments such as treasury bills and bonds issued by local authorities, certificates of deposit, commercial paper, medium term notes and bankers' acceptances.

These cumulative investments in debt securities and money market instruments should not account for more than 25% of the Fund's net assets.

Units or shares of UCIs:

The Fund's net assets may include up to 10% units or shares of European UCITS and/or AIFs governed by French law which invest less than 10% of their assets in units or shares of other UCIs. The Fund may also invest in money market UCIs in order to manage the Fund's cash flow, or equity, bond or mixed UCIs with a management strategy which complements that of the Fund and which contributes towards achieving the performance target.

The AIFs that are eventually chosen must comply with the criteria set in Article R. 214-13 of the French Monetary and Financial Code.

The Fund may invest in UCIs marketed or managed by Sycomore Asset Management or one of its subsidiaries, within the aforementioned limits.

Derivatives:

The Fund participates in regulated or organised French or foreign markets, or in over-the-counter transactions.

The Fund uses futures instruments and options.
Futures and options strategies are intended either to hedge the portfolio against the downside risk in an underlying equity asset, or to increase portfolio exposure in order to capitalise on the upside in an underlying equity asset. These strategies are, however, only contributing on an ancillary basis to achieve investment management targets. These strategies nevertheless enable a fund manager anticipating a period of equity market weakness to reduce equity exposure (hedging strategy involving equity indices or certain stocks which the fund manager considers overvalued) or conversely, to increase portfolio exposure when the fund manager feels that securities already in the portfolio may not fully benefit from an expected equity market rally. Foreign exchange derivatives may also be used to hedge exposure of the Fund or a category of unit to one currency or to adjust overall exposure of the Fund to foreign exchange risk.

The Fund may also enter into over-the-counter contracts in the form of "Contracts for Differences" (henceforth referred to as CFDs). The underlying components of CFDs are shares or European equity indices.
CFDs shall be used to replicate purchases or sales in securities or indices, or baskets of securities or baskets of indices.
The counterparties to these transactions may be financial institutions having their registered office in the European Union.

There are no plans to use Total Return Swaps in connection with the management of the Fund.

The use of derivatives will not exceed the total net assets of the Fund and will therefore not lead to an overexposure to equities.

Securities with embedded derivatives:
The Fund deals in financial instruments with embedded equity or fixed income derivatives.
The instruments used are: warrants, equity warrants, investment certificates, as well as bond-type securities with a conversion or subscription right including convertible bonds, bonds redeemable into new or existing shares and equity-warrant bonds.

These instruments are used in order to expose the portfolio to one or more companies that satisfy the selection criteria defined above. The aggregate total weight of these investments in the Fund portfolio shall not exceed 25% of its net assets.

The portfolio's off-balance sheet commitments shall not exceed the total value of the Fund's assets at any time. Total exposure to equity risk relating to off-balance sheet commitments and equity positions cannot exceed the total value of the Fund's assets. The portfolio's total exposure to equities therefore cannot exceed 100%.

Use of deposits:
There are no plans to use deposits in connection with the management of the Fund.

Cash loans.
In the normal course of business, the Fund may on occasion find itself in debt and in that case may borrow cash, up to the limit of 10% of its net assets.
Temporary acquisitions and sales of securities.

There are no plans to use temporary acquisitions or sales of securities in relation to the management of the Fund.

Contracts constituting financial guarantees
The Fund does not receive any financial guarantees as part of the authorised transactions.

3.2.6. Risk profile

Risks incurred by the Fund:

- **Risk of loss of principal**: 1) The Fund's performance may not meet investment objectives or investor targets (which depend on their portfolio composition); 2) The principal invested may not be entirely returned; or 3) The performance may be adversely affected by inflation.

- **Equity risk**: due to exposure of between 60% and +100% to equity markets through investments in equities, equity-exposed UCIs, convertible bonds and financial derivative instruments with equity underlying assets. There is a risk that an investment market will decline or that the value of one or more shares will decline, due to a market shift. In the event of a fall in the equity markets, the net asset value (NAV) may decrease.

- **The risk incurred by investing in emerging markets**: the Fund may invest up to 10% of its net assets in securities listed on emerging markets. Investments in emerging markets involve high risks because of the political and economic situation in emerging countries that may affect the net asset value of the fund. Their operating and supervision conditions may deviate from the standards prevailing on the large international exchanges. In addition, an investment on these markets involves risks related to restrictions imposed on foreign investment and counterparties, higher market volatility; and an increased liquidity risk.

- **The risk incurred from discretionary management**: the management team may freely allocate Fund assets between the various asset classes, within the specified limits. The discretionary management style is based on anticipating trends in various markets (equity, bond). There is a risk that the Fund will not be invested at all times on the best-performing markets and that this results in a drop in the net asset value of the Fund.

- **Liquidity risk**: as a result of low market capitalisation of some companies in which the Fund invests. In this regard, investors should bear in mind that the small and mid-cap market includes companies which, by reason of their specific nature, may involve risks for investors.
  Liquidity risk is the risk that some buy or sell orders transmitted to the market may not be fully executed on account of the limited quantity of securities available in the market.

- **Fixed-income and credit risk**: due to the Fund's ability to hold fixed-income products, debt securities and money-market instruments up to 25% of its net assets;
  Interest rate risk:
    - the risk that the rates decline when investments are made at a variable rate (lower rate of return);
    - the risk that rates will rise in the case of fixed-rate investments, as the value of a fixed interest-rate product is inversely proportional to interest rate levels.

  The net asset value may decrease in the event of an adverse variation in interest rates.
  Credit risk is the risk that the issuer of a debt security is no longer able to reimburse the debt, or that its rating is downgraded, which could then lead to a decrease in the NAV.

- **The risk associated with holding convertible bonds**: due to exposure of up to 25% of the net assets to convertible bonds. This is the risk that the value of one or more convertible bonds fall, influenced by the level of interest rates, changes in the prices of the underlying equities or changes in the price of the derivative instrument embedded in the convertible bond.
  In the event of a fall in the value of one or more convertible bonds, the net asset value may decrease.

- **Foreign exchange risk**: some eligible financial instruments may be listed in currencies other than the euro. In this regard, investor attention is drawn to the fact that the Fund is subject to foreign exchange risk of up to a maximum limit of 25% of its net assets for French residents. Foreign exchange risk is the risk that the value of an investment currency diminishes compared to the Fund's benchmark currency, i.e. the euro, which could then lead to a decrease in the NAV.

- **Counterparty risk**: the management team may enter into over-the-counter derivative contracts with financial institutions having their registered office in the European Union or in the United States and subject to the prudential supervision rules from authorities. This is the risk that a counterparty defaults and is no longer able to transfer the money due to the Fund as a result of a transaction, i.e. collateral deposits or realised gains. This risk is capped at a maximum of 10% of the portfolio per counterparty. In the event of a counterparty default, the net asset value may fall.

- **Methodological risk related to socially responsible investment (SRI):** ESG factors can vary depending on investment themes, asset classes, investment philosophy and the subjective use of different ESG indicators governing portfolio construction. The selection and weightings applied may to some extent be subjective or based on measures which may share the same name but have different underlying meanings. ESG information, whether from an external and/or internal source, is, by nature and in many cases, based on qualitative assessment and judgment, particularly in the absence of well-defined market standards and due to the existence of multiple SRI approaches. An element of subjectivity and discretion is therefore inherent in the interpretation and use of ESG data. It may therefore be difficult to compare strategies incorporating ESG criteria. Investors should note that the subjective value that they may or may not assign to certain types of ESG criteria may differ materially from fund to fund. The application of ESG criteria to the investment process may exclude securities of certain issuers for non-financial reasons and, as a result, may cause certain market opportunities available to funds that do not use ESG or sustainability criteria to be lost. ESG information from third-party data providers may be incomplete, inaccurate or unavailable. As a result, there is a risk of incorrect valuation of a security or issuer resulting in the improper inclusion or exclusion of a security. ESG data providers are private companies that provide ESG data for a variety of issuers. They may therefore change the valuation of issuers or instruments at their discretion. The ESG approach can evolve and develop over time, due to the refinement of investment decision processes to take ESG factors and risks into account, and/or due to legal and regulatory developments.

- **Sustainability risks:** this risk encompasses environmental, social and governance risks. Environmental risks relate to climatic events which may result from climate change (physical risks) or the company's response to climate change (transition risks), which may have a negative impact on the Fund's investments and financial condition. Social risks include risks related to human capital (e.g. inequality, inclusion, labour relations, investment in human capital, accident prevention) as well as risks related to the company's impact on society in terms of human rights, business ethics (e.g. significant and recurrent breach of international agreements, corruption issues) and also through its product or service offering. Governance risks (for example, the composition of governance bodies and their independence, the remuneration of managers) are also integrated into the sustainability risk. These risks are integrated into the investment process and risk monitoring as they represent potential or actual material risks and/or opportunities to maximise long-term returns. These risks are taken into account through the use of ESG criteria, and more specifically through our SPICE methodology. The consequences of the occurrence of a sustainability risk are numerous and vary depending on the specific risk, region and asset class. For example, where a sustainability risk exists for an asset, it will negatively impact its value.

3.2.7. Guarantee or protection

None.

3.2.8. Target investors and target investor profile

Unit Classes I and ID are referred to as “clean share” units, and are specifically aimed at “eligible counterparty” subscribers within the meaning of Directive 2004/39/EC, “professional investor” subscribers within the meaning of Article I of annex II of Directive 2014/65/EC, and all subscribers within the framework of discretionary management services or investment advice on an independent basis within the meaning of Directive 2014/65/EC, for which the suppliers of such services are not allowed to accept and retain fees, commissions or any monetary and non-monetary benefits paid or provided by the management company or by the Fund marketing agent promoter of the Fund (“clean share” units).

Unit Class X has been more specifically designed for UCITS managed by Sycomore Asset Management or by its subsidiaries.

Z units are available to all “eligible counterparty” subscribers within the meaning of Directive 2004/39/EC and subscribers who are “professional investors” within the meaning of Article I of Annex II of Directive 2014/65/EC, subject to the prior approval of the management company.

Other unit classes are aimed at all investors. Given the major risks associated with equity investments, this Fund is mainly intended for investors who are prepared to withstand the wide fluctuations inherent in equity markets, over an investment horizon of at least five years.

The fund contains mainly small cap stocks and investors should bear in mind that the small and mid-cap market is intended to include companies which, by reason of their specific nature, may involve significant risks for investors.

The reasonable amount to invest in this Fund depends on your personal situation. In order to assess your financial situation, you must take into account your personal assets, your current needs and your needs over the next five years, as well as your willingness to take on risk or, conversely, to opt for a more prudent investment. You are also strongly advised to sufficiently diversify your investments so that they are not exposed solely to the risks incurred by this UCITS.

The units in the Fund, which is a Foreign Public Fund within the meaning of Section 13 of the US Bank Holding Company Act, have not been registered or reported to the US authorities pursuant to the US Securities Act of 1933. Hence, they may not be offered or sold, directly or indirectly, in the United States or on behalf of or for the benefit of a “US Person” within the meaning of the US regulations (Regulation S).

3.2.9. Calculation and allocation of distributable sums

A, I, R, X and Z units: Full accumulation of the net income and of the net realised capital gains.

ID units: Distribution, in whole or in part, in accordance with the conditions set out in Article 9 of the Fund's Management Regulations.

The management company shall decide each year on the allocation of distributable sums.

Distribution frequency: annual (with the possibility of quarterly interim distributions)

3.2.10. Unit class characteristics

Unit Class	ISIN Code	Allocation of distributable sums	Base currency	Target investors	Minimum subscription
A	FR0010376343	Accumulation	EUR	All subscribers	None
I	FR0013303534	Accumulation	EUR	"Eligible counterparty" subscribers within the meaning of Directive 2004/39/EC, "professional investor" subscribers within the meaning of section I of annex II of Directive 2014/65/EC, and all subscribers within the framework of discretionary management services or investment advice on an independent basis within the meaning of Directive 2014/65/EC, for which providers of these services are not allowed to accept and retain fees, commissions or any monetary and non-monetary benefits paid or provided by the management company or by the promoter of the Fund (clean share class).	None
ID	FR0013527983	Accumulation and/or Distribution	EUR	"Eligible counterparty" subscribers within the meaning of Directive 2004/39/EC, "professional investor" subscribers within the meaning of section I of annex II of Directive 2014/65/EC, and all subscribers within the framework of discretionary management services or investment advice on an independent basis within the meaning of Directive 2014/65/EC, for which providers of these services are not allowed to accept and retain fees, commissions or any monetary and non-monetary benefits paid or provided by the management company or by the promoter of the Fund (clean share class).	None
R	FR0010376368	Accumulation	EUR	All subscribers	None
X	FR0010865980	Accumulation	EUR	All subscribers, especially UCITS managed by SYCOMORE AM or by its subsidiaries	None
Z	FR0014006PX1	Accumulation	EUR	"Eligible counterparty" subscribers within the meaning of Directive 2004/39/EC and "professional investor" subscribers within the meaning of section I of Annex II of Directive 2014/65/EC, subject to prior approval by the management company.	None

3.2.11. Conditions for subscribing and redeeming shares

Subscription and redemption orders for bearer/administered registered units to be registered or registered in Euroclear are centralised at BNP Paribas SA (Postal address: 9, Rue du Débarcadère, 93500 Pantin, France) on each NAV calculation day (D) at 12:00 pm. Orders for registered units or units to be registered as part of the IZNES shared electronic registration system (*Dispositif d'Enregistrement Électronique Partagé* – DEEP) are received at any time by IZNES and centralised by IZNES on each NAV calculation day (D) at 12:00 pm. These orders are then executed on the basis of the NAV calculated on the following business day (D+1) at a then-unknown price. The resulting payments are made on the second following business day (D+2).

In summary, subscription and redemption orders are executed in accordance with the table below, unless any specific deadline is agreed upon with your financial institution:

D: day on which the net asset value is calculated	D+1 business day	D+2 business days
Centralisation of subscription and redemption orders before 12:00 pm	Publication of the Net Asset Value of D	Delivery of Subscriptions Settlement of Redemptions

Subscription and redemption orders may be expressed in a fractions of units or in cash value.

Unitholders can switch from one unit class to another by passing a redemption order in the units of the unit class held, followed by a subscription order for units in another unit class. Investors should therefore be aware that switching from one unit class to another triggers the application of the tax regime governing capital gains or losses on financial instruments.

<u>NAV calculation date and frequency</u>:
The net asset value (NAV) is determined each day the Euronext markets are open, with the exception of legal holidays in France (D). This NAV is calculated on the following business day (D+1), based on the preceding day's closing prices (D). Information concerning the total assets of the Fund may be obtained each valuation day directly via the Sycomore Asset Management website (www.sycomore-am.com) or by telephone: 01.44.40.16.00.

A swing pricing mechanism has been set up by the Management Company as part of the Fund's valuation. For more information on the mechanism, please refer to the Asset valuation rules section.

<u>Place and methods of publication or communication of net asset value</u>: the Fund's net asset value is available upon request from Sycomore Asset Management and on its website (www.sycomore-am.com).

<u>Capping Mechanism for Redemptions (or Gate)</u>:
In accordance with the regulations in force, the management company may make temporary redemption capping decisions (hereinafter the "Capping Decision") if exceptional circumstances so require and if unitholders' best interests so require, in order to avoid imbalances between redemption requests and the Fund's net assets that would prevent the management company from honouring these requests in the best interests of unitholders and their equal treatment.

The Capping Decision shall apply in the following circumstances:

I. Description of the strategy used

The Capping Decision may be taken if, on a given subscription centralisation date (hereinafter the "Date of Execution of Centralisation"), the difference between the share of assets of the fund to be redeemed (hereinafter the "Percentage of Redemptions") and the share of assets of the fund to be subscribed (hereinafter the "Percentage of Subscriptions") is positive and represents more than 5% of the total net assets as of the last net asset value (NAV) calculation date.

If redemption requests exceed the gate trigger threshold, the Management Company may resolve to process redemption requests in excess of the 5% cap and partially execute redemption orders above the stated level, or execute them in their entirety. Such a decision is based on an appreciation of the portfolio's situation in terms of market risks, liquidity risk, and the ability to perpetuate the fund's investment strategy in the interest of the unitholders. For example, in the absence of subscriptions, if the total redemption requests for the fund units are 10% while the gate trigger threshold is 5% of the net assets, the management company may decide to honour redemption requests up to 7.5% of the net assets (and thus to execute 75% of redemption requests instead of 50% if it strictly applies the cap at 5%).

The capping on redemptions may not exceed 20 occurrences (net asset values) over 3 months; i.e. an estimated period of maximum 1 month in the event of successive occurrences.

II. Information for unitholders

Unitholders who have issued redemption requests affected by the Capping Decision shall be informed in particular as soon as possible after the relevant Date of Execution of Centralisation. The Capping Decision will also be published on the website of the management company and will be included in the next periodic report.

III. Order processing

If a Capping Decision is made, the Percentage of Redemptions net of subscriptions will be reduced to 5% of the net assets (or, if applicable, to the higher rate applied if the Management Company decides to honour redemptions above the prescribed capping threshold).

Consequently, redemption orders will be reduced, for all investors wishing to have their units redeemed on a Date of Execution of Centralisation, by the same percentage (hereinafter the "Reduction Coefficient"). The Reduction Coefficient is equal to the ratio between the capping threshold expressed as a percentage of net assets (plus the percentage of any subscriptions) and the Percentage of Redemptions.

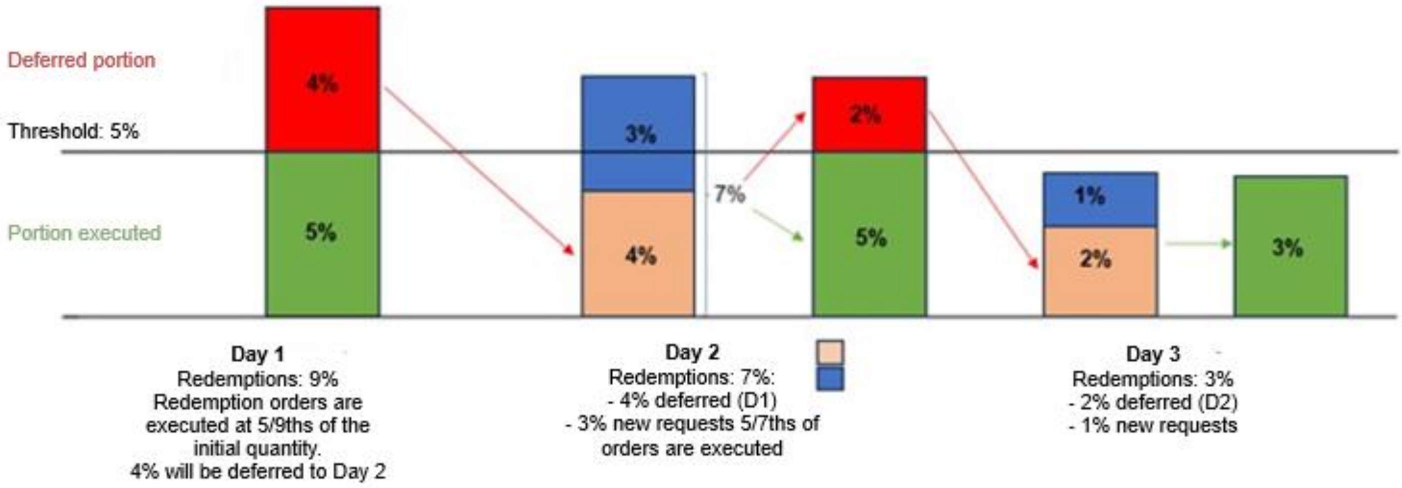
Consequently, the number of units to which the redemption is carried out is equal, for a given unitholder, to the initial number of units for which redemption has been requested multiplied by the Reduction Coefficient, this number of units being rounded up to the larger fraction of units.

Redemption requests which have not been executed in accordance with the Capping Decision and which are pending execution will be carried forward automatically, within the same limits, on the next NAV calculation date.

Redemption requests carried forward to a future NAV calculation date will not be given priority over later requests.

Exemption from the Capping Mechanism for Redemptions (or "Gate"): The mechanism will not be triggered when the redemption order is immediately followed by a subscription order from the same investor for the same amount or number of units, based on the same net asset value and for the same ISIN code.

IV. <u>Example of the mechanism implemented:</u>



Day 1: assuming a threshold of 5% and total redemption requests amounting to 9% for Day 1, then 4% of requests will not be able to be executed on Day 1 and will be deferred to Day 2.

Day 2: assume now that total redemption requests amount to 7% (including 3% new requests). As the threshold is 5%, 2% of requests will therefore not be executed on Day 2 and will be carried forward to Day 3.
Day 3: lastly, assume that total redemption requests amount to 3% (including 1% new requests). As the threshold is 5%, all the requests will be executed on Day 3.

Please also refer to Article 3 of the Fund's Management Regulations for information on the capping mechanism for redemptions of your fund.

3.2.12. Fees and Charges

<u>Subscription and redemption fees</u>:

Subscription and redemption fees are either levied on the subscription price paid by the investor or deducted from the redemption price. Charges retained by the UCITS offset expenses borne by the UCITS for investment or divestment. Non-retained charges are attributed to the asset management company, the marketing agent, etc.

<table>
<tr><th rowspan="2">Charges borne by the investor at the time of subscriptions and redemptions</th><th rowspan="2">Basis</th><th colspan="6">Rate</th></tr>
<tr><th>Unit Class A</th><th>Unit Class I</th><th>Unit Class ID</th><th>Unit Class R</th><th>Unit Class X</th><th>Unit Class Z</th></tr>
<tr><td>Subscription fee not kept by the Fund</td><td>Net asset value multiplied by the number of units subscribed</td><td colspan="3">5% maximum rate</td><td>3% maximum rate</td><td colspan="2">10% maximum rate</td></tr>
<tr><td>Subscription fee kept by the Fund</td><td>Net asset value multiplied by the number of units subscribed</td><td colspan="6">None</td></tr>
<tr><td>Redemption fee not kept by the Fund</td><td>Net asset value multiplied by the number of units redeemed</td><td colspan="6">None</td></tr>
<tr><td>Redemption fee kept by the Fund</td><td>Net asset value multiplied by the number of units redeemed</td><td colspan="6">None</td></tr>
</table>

<u>Exemptions</u>: No fees will be charged for a redemption followed by a subscription for the same account on the same day, if the NAV and amount have the same values.

Operating and management charges:

These charges include all the expenses invoiced directly to the UCITS, except for execution fees. Execution fees include intermediation charges (brokerage, stamp duty, etc.) and transfer commissions, if any, which may be collected by the depositary and the management company. The following may be payable in addition to the operating and management charges:

- performance fees. These reward the management company when the UCITS exceeds its objectives. They are therefore invoiced to the UCITS;
- transfer commissions invoiced to the UCITS.

For further details regarding fees charged to the UCITS, please refer to the key information document (KID).

<table>
<tr><th rowspan="2">Fees charged to the Fund</th><th rowspan="2">Basis</th><th colspan="6">Rate</th></tr>
<tr><th>Unit Class A</th><th>Unit Class I</th><th>Unit Class ID</th><th>Unit Class R</th><th>Unit Class X</th><th>Unit Class Z</th></tr>
<tr><td rowspan="2">Financial management and operating charges and other services</td><td rowspan="2">Net assets</td><td colspan="6">Maximum annual rate (including tax)</td></tr>
<tr><td>1.50%</td><td colspan="2">1.00%</td><td>2.00%</td><td>1.00%</td><td>0.10%*</td></tr>
<tr><td>Transfer commissions collected by the depositary</td><td>Charge on each transaction</td><td colspan="6">None</td></tr>
<tr><td>Performance fee</td><td>Net assets</td><td colspan="4">15% including tax above the MSCI EMU SMID CAP Net Return index (dividends reinvested)</td><td colspan="2">None</td></tr>
</table>

** The fee structure of Unit Class Z is contractually determined between the investor and the management company. The rate indicated is a minimum rate which may be supplemented by agreement between the management company and the investor.*

These fees shall be booked directly to the Fund's profit and loss account.

Performance fee: From 1 July 2022, the performance fee will be calculated as follows:

Calculation method

The outperformance generated by the Fund on a given date is understood to be the positive difference between the net assets, before deduction of any eventual performance fee for the Fund, and the assets of an imaginary UCI, realising the performance of its benchmark index and recording the same pattern of subscriptions and redemptions as the actual Fund on the same date.

If this difference is negative, this amount represents an underperformance that will have to be offset in the following years before it can again be provisioned for the performance fee.

Offsetting underperformance and reference period:

As specified in the ESMA guidelines for performance fees, "the reference period is the period during which performance is measured and compared to the benchmark and at the end of which it is possible to reset the mechanism for offsetting past underperformance".

This period is set at 5 years. This means that in excess of five consecutive years without crystallisation, unoffset underperformance older than five years will no longer be taken into account in the performance fee calculation.[1]

Observation period

The observation period shall be measured against the accounting year of the Fund, unless the annual accounting year is less than twelve months in length.

- First observation period: From 1 July 2022 to 30 June 2023;
- In view of the exceptional financial year of the Fund from 1 July 2024 to 31 December 2024 and provided that a performance fee cannot be charged on a basis of an observation period of less than twelve months, an exceptional observation period of eighteen months will take place from 1 July 2024 to 31 December 2025;
- Starting on 1 January 2026, the observation period shall be from 1 January of that year to 31 December of that year.

At the end of each financial year, one of the following two cases may occur:

- The Fund underperformed over the observation period. In this case, no fee is charged and the observation period is extended by one year to a maximum of 5 years (reference period).
- The Fund outperformed over the observation period and for the financial year. In this case, the management company receives the provisioned fees (crystallisation), the calculation is reset and a new twelve-month

[1] *Each observation period shall be twelve months in respect of the accounting period of the Fund. An extraordinary financial year of less than twelve months taking place from 1 July 2024 to 31 December 2024 (relating to the change in the Fund's financial year from June to December) and where a performance fee cannot be levied in respect of an observation period of less than twelve months, an extraordinary observation period of eighteen months shall open from 1 July 2024 to 31 December 2025. Accordingly, the benchmark period may exceed five years if an underperformance is recorded over the next eighteen-month observation period and it is not offset in the next four financial years.*

observation period begins.

Provisioning

Each time the net asset value (NAV) is established, the performance fee is subject to a provision (of 15% of the outperformance) when the net assets before deduction of any performance fee from the Fund is greater than that of the notional UCI over the observation period, or a recovery of the provision limited to the existing allocation in the event of underperformance.

In the event of redemptions during the period, the share of the constituted provision corresponding to the number of units redeemed shall be definitively acquired and taken by the Manager.

Crystallisation

The crystallisation period, i.e. the frequency of any provisioned performance fee being payable to the management company, is aligned with the observation period and cannot be less than twelve months.

Selection of intermediaries

Sycomore Asset Management has entrusted the trading of its orders to Sycomore Global Markets. Sycomore Global Markets receives orders initiated by the management company on behalf of the Fund and ensures their transmission to market intermediaries and counterparties with the main mission of seeking the best possible execution of these orders.

Unitholders may refer to the annual management report for any further information.

4. COMMERCIAL INFORMATION

The settlement of distributable sums occurs, where applicable, within five months following the end of the Fund's financial year.

Subscription and redemption orders for Fund units must be addressed to BNP Paribas SA for bearer/administered registered units to be registered or registered in Euroclear, and to IZNES for pure registered units to be registered or registered in the shared electronic registration system (*Dispositif d'Enregistrement Electronique Partagé* – DEEP).

Information concerning the UCITS is provided by Sycomore Asset Management to your financial intermediary, whose duty it is to pass this information on to their clients.

The management company's voting policy and the report setting out the conditions for the exercise of these voting rights are available and sent free of charge within one week upon written request from the investor to:

- Sycomore Asset Management, 14, Avenue Hoche, 75008 Paris, France;
- At the following address: info@sycomore-am.com.

The information on Environmental, Social and Governance (ESG) criteria taken into account by the UCITS is available on Sycomore Asset Management's website (www.sycomore-am.com).

Sycomore Asset Management's shareholder commitment policy and the latest report on the implementation of this policy are available on our website: www.sycomore-am.com.

Furthermore, information concerning the Fund may be obtained directly via the Sycomore Asset Management website (www.sycomore-am.com) or by calling our Investor Relations Department at +33 (0)1 44 40 16 00.

The management company may send the UCI's portfolio composition to its investors within a period which may not be less than 48 hours after the publication of the net asset value, solely for the purpose of calculating the regulatory requirements related to Directive 2009/138/EC (Solvency 2). Each investor wishing to use this information must have procedures in place to manage this sensitive information prior to the transmission of the portfolio composition, which is to be used solely for calculating prudential requirements.

5. INVESTMENT RULES

The Fund complies with the investment regulations applicable to UCITS governed by Directive 2009/65/EC, investing up to 10% of their assets in units or shares of UCITS as well as UCITS in the “European Union Equities” category, as set out in the General Regulation of the *Autorité des marchés financiers* (French Financial Markets Authority – AMF).

6. OVERALL RISK

The Fund’s overall risk reflects the additional risk incurred by the use of derivatives, based on the commitment calculation method.

7. ASSET VALUATION RULES

7.1. Asset valuation rules

Financial instruments and securities traded on French or foreign regulated markets are valued at market price.

However, the following instruments are valued in accordance with the following specific methods:

- Financial instruments which are not traded on regulated markets are valued by the management company at their likely trading value.
- Units or shares in UCITS are valued at the most recently published NAV.
- Negotiable debt securities and similar instruments which are not actively traded are valued using an actuarial method. The value retained is that of equivalent issued securities, which are adjusted, where applicable, on the basis of a credit spread reflecting the creditworthiness of the security issuer. However, negotiable debt securities with residual lifespan not exceeding three months may be valued using the commitment method in the absence of any specific modified duration. The application of these rules is set by the management company. These are mentioned in the notes to the annual financial statements.
- transactions involving financial futures or options traded on French or foreign organised markets are valued at market price in accordance with methods laid down by the management company. They are detailed in the notes to the annual financial statements.
- Over-the-counter futures, options or swap transactions authorised by the regulations applicable to UCITS, are valued at their market price or at an estimated value in accordance with methods laid down by the management company, as defined in the notes to the annual financial statements.

Financial instruments for which no price has been established on the valuation day, or the price of which has been adjusted, are valued at their likely trading value under the management company’s liability. These valuations and relative supporting data are made available to the Statutory Auditor during inspections and audits.

The accounting currency of the UCITS is the euro.

7.2. Net asset value adjustment method related to swing pricing with trigger threshold

Sycomore Asset Management has decided to implement a swing pricing mechanism, effective as at 31 December 2023, to protect the UCITS and its long-term investors from the impact of large capital inflows or outflows. If on any NAV calculation date the total net subscription/redemption orders from investors on all unit classes of the Fund exceed a pre-established threshold, determined on the basis of objective criteria by the Management Company as a percentage of the net assets of the Fund, the NAV may be adjusted upwards or downwards to take into account adjustment costs attributable to net subscription/redemption orders respectively. The NAV of each unit class is calculated separately but any adjustment has, as a percentage, an identical impact on all the NAVs of the Fund's unit classes.
The cost and trigger parameters are determined by the management company and reviewed periodically, at least quarterly. These costs are estimated by the management company based on the execution fees, bid-offer spreads and any taxes that may be applicable to the Fund. As this adjustment is linked to the net balance of subscriptions/redemptions in the Fund, it is not possible to accurately predict whether swing pricing will be applied at any given time in the future. Consequently it is also not possible to accurately predict how frequently the management company will need to make such adjustments. Investors should note that the volatility of the Fund's NAV may not reflect solely the volatility of securities held in the portfolio as a result of the application of swing pricing. As the effect of swing pricing net asset value at a given point in time on the is not related to Fund management, the performance fees are calculated before application of this method. The policy for determining the swing pricing mechanisms is available on our website, www.sycomore-am.com, or upon request from the management company. Swing pricing is applied at the discretion of the management company in accordance with Sycomore Asset Management's Swing Pricing Policy.

7.3. Alternative assessment procedures in case the financial data is unavailable

Please note that the administrative and accounting management of the Fund is delegated to BNP Paribas SA, which is in charge of valuing the Fund's financial assets.
Nevertheless, at any given time, Sycomore Asset Management has its own estimate of the financial assets in the Fund, carried out using multiple sources of financial data which it has at its disposal (Reuters, Bloomberg, market counterparties, etc.).
In the event that the delegated administrative and accounting agent is unable to value the Fund's assets, it will still therefore be possible to provide it with the requisite information for the purpose of such a valuation, in which case the Statutory Auditor will be promptly informed.

7.4. Accounting method

The accounting method selected to record income from financial instruments is the coupon-received principle. The accounting method selected to record execution costs is exclusive of fees.

8. REMUNERATION POLICY

In accordance with the regulation resulting from Directives 2011/61/EU (AIFM) and 2014/91/EU (UCITS V), Sycomore AM established a Remuneration policy. Its objectives are to promote alignment of interests between investors, the management company and its staff, as well as sound and efficient risk management of managed portfolios and of the management company, taking into account the nature, scope, and complexity of Sycomore AM's activities. In particular, it relies on the allocation of sufficiently high fixed remuneration and bonuses whose procedures for allocation and payment promote the alignment of long-term interests.

Details of this remuneration policy are available on our website, www.sycomore-am.com. A paper copy can also be made available free of charge upon request.

9. MANAGEMENT REGULATIONS

SECTION 1: ASSETS AND UNITS

Article 1 - Fund units

The rights of co-owners are expressed in units, each unit representing an equivalent fraction of the assets of the Fund. Each unitholder owns joint ownership rights over the assets of the Fund in proportion to the number of units owned.

The duration of the fund is 99 years from 10 December 2003, except in the cases of early dissolution or extension provided for under these Management Regulations.

The characteristics of the various categories of units, and the terms and conditions of their acquisition, are set forth in the key information document and the prospectus of the Fund.

The various categories of units may:
- benefit from different income distribution methods (distribution or capitalisation)
- be denominated in different currencies;
- incur different management fees;
- bear different subscription and redemption fees;
- have a different nominal value.

Units may be consolidated or split.

The Board of Directors of the management company may elect to split units into tenths, hundredths, thousandths, or ten thousandths, referred to as fractional units.

Provisions herein governing the issue and redemption of units are applicable to fractional units, the value of which shall always be proportional to the value of the proportion they represent. All other provisions herein governing units apply to fractional units without need for further specification, unless otherwise stated.

Finally, the management company's board of directors may unilaterally elect to split units, issuing new units to unitholders in exchange for existing units.

Article 2 - Minimum assets

Units may not be redeemed if the Fund's (or sub-fund's) assets fall below EUR 160,000; when the assets remain below this amount for a period of thirty days, the management company shall make the necessary provisions to liquidate the Fund concerned, or to carry out one of the transactions mentioned in Article 411-16 of the AMF's General Regulation (transfer of the UCI).

Article 3 - Issue and redemption of units

The units can be issued at any time at the request of unitholders on the basis of their net asset value plus, if applicable, any subscription fees.

Redemptions and subscriptions shall be carried out in accordance with the conditions and procedures defined in the prospectus.

Fund units may be listed in accordance with applicable regulations.

Unit subscriptions must be paid in full on the NAV calculation date. They may be made in cash and/or by a contribution in kind in the form of transferable securities. The Management Company has the right to refuse the proposed securities and has a period of seven days from the date of filing to inform the subscriber of their decision. If accepted, the securities shall be valued on the basis of the procedures laid down in Article 4, and the subscription shall be made on the basis of the first net asset value calculated following acceptance of the securities involved.

Redemptions shall be paid out exclusively in cash, unless the Fund is liquidated and unitholders have given their consent to repayment in securities. Payment is made by the depositary within a maximum of five days following unit valuation.

This period may, however, be extended up to a maximum of 30 days in exceptional circumstances if the repayment requires the prior divestment of assets held in the Fund.

Except in case of inheritance or inter-vivos estate distribution, the sale or transfer of units between holders, or from holders to a third party, is equivalent to a redemption followed by a subscription; if this involves a third party, the disposal or transfer amount must, if relevant, be completed by the beneficiary in order to attain at least the minimum subscription required by the prospectus.

In application of Article L. 214-8-7 of the French Monetary and Financial Code, the redemption by the Fund of its units, as well as the issue of new units, may be provisionally suspended by the management company, under exceptional circumstances and if unitholders' best interests so require.

When the net assets of the Fund are lower than the amount set by the regulations, no redemption of shares may take place.

Pursuant to Article L. 214-8-7 of the French Monetary and Financial Code, and Article 411-20-1 of the AMF General Regulation, the management company may decide to cap redemptions when exceptional circumstances require it, and if unitholders' best interests so require.

The Capping Decision shall apply in the following circumstances:

I. Description of the strategy used

The Capping Decision may be taken if, on a given subscription centralisation date (hereinafter the “Date of Execution of Centralisation”), the difference between the share of assets of the fund to be redeemed (hereinafter the “Percentage of Redemptions”) and the share of assets of the fund to be subscribed (hereinafter the “Percentage of Subscriptions”) is positive and represents more than 5% of the total net assets as of the last net asset value (NAV) calculation date.
If redemption requests exceed the gate trigger threshold, the Management Company may resolve to process redemption requests in excess of the 5% cap and partially execute redemption orders above the stated level, or execute them in their entirety. Such a decision is based on an appreciation of the portfolio’s situation in terms of market risks, liquidity risk, and the ability to perpetuate the fund’s investment strategy in the interest of the unitholders.
The capping on redemptions may not exceed 20 occurrences (net asset values) over 3 months; i.e. an estimated period of maximum 1 month in the event of successive occurrences.

II. Information for unitholders

Unitholders who have issued redemption requests affected by the Capping Decision shall be informed in particular as soon as possible after the relevant Date of Execution of Centralisation. The Capping Decision will also be published on the website of the management company and will be included in the next periodic report.

III. Order processing

If a Capping Decision is made, the Percentage of Redemptions net of subscriptions will be reduced to 5% of the net assets (or, if applicable, to the higher rate applied if the Management Company decides to honour redemptions above the prescribed capping threshold).
Consequently, redemption orders will be reduced, for all investors wishing to have their units redeemed on a Date of Execution of Centralisation, by the same percentage (hereinafter the “Reduction Coefficient”). The Reduction Coefficient is equal to the ratio between the capping threshold expressed as a percentage of net assets (plus the percentage of any subscriptions) and the Percentage of Redemptions.
Consequently, the number of units to which the redemption is carried out is equal, for a given unitholder, to the initial number of units for which redemption has been requested multiplied by the Reduction Coefficient, this number of units being rounded up to the larger fraction of units.
Redemption requests which have not been executed in accordance with the Capping Decision and which are pending execution will be carried forward automatically, within the same limits, on the next NAV calculation date.
Redemption requests carried forward to a future NAV calculation date will not be given priority over later requests.

Exemption from the Capping Mechanism for Redemptions (or “Gate”): The mechanism will not be triggered when the redemption order is immediately followed by a subscription order from the same investor for the same amount or number of units, based on the same net asset value and for the same ISIN code.

The UCITS may cease to issue units pursuant to the third paragraph of Article L. 214-8-7 of the French Monetary and Financial Code on a temporary or permanent basis, in part or in full, in situations that objectively require the closure of subscriptions, such as when the maximum number of units has been issued, a maximum amount of assets has been reached, or a specific subscription period has expired. The trigger of this tool will be communicated by any means to existing unitholders relating to its activation, as well as to the threshold and objective situation that led to the decision to partially or completely close. In the case of a partial closure, this communication by any means will explicitly specify the terms and conditions under which existing unitholders may continue to subscribe during the duration of this partial closure. Unitholders are also informed by any means of the decision of the UCITS or the management company either to terminate the complete or partial closure of subscriptions (when crossing the trigger threshold) or not to terminate them (in case of change of threshold or change in the objective situation leading to the implementation of this tool). A change in the objective situation invoked or to the trigger level of the tool must always be made in the interests of the unitholders. Information by any means shall specify the exact reasons for these changes.

Article 4 - Calculation of the Net Asset Value

The net asset value (NAV) is calculated in accordance with the valuation rules set out in the prospectus.

Contributions in kind shall comprise only securities, shares or contracts permissible as UCITS assets, and these shall be valued in accordance with the valuation principles applied to the NAV calculation.

SECTION 2: FUND OPERATION

Article 5 - The Management Company

The Fund is managed by the management company in accordance with the policy defined for the Fund.

The management company will act in the sole interest of the unitholders under all circumstances and shall have sole authority to exercise the voting rights attached to securities held by the Fund.

Article 5a - Operating rules

The instruments and deposits that are eligible to form part of the assets of the UCITS and the investment rules are described in the prospectus.

Article 5b - Listing on a regulated market and/or a multilateral trading facility

Fund units may be listed on a regulated market and/or a multilateral trading facility in accordance with applicable regulations. In case the Fund whose units are admitted to trading on a regulated market has an index-based management objective, the Fund will have in place a system to ensure that the price of its units does not significantly vary from its net asset value.

Article 6 - Depositary

The depositary performs the tasks entrusted to it by the legal and regulatory provisions in force as well as those entrusted to it contractually by the management company. It is responsible for ensuring that decisions made by the asset management company comply with the necessary regulations. It must, where required, take any precautionary measures it deems necessary. In the event of a dispute with the management company, it will inform the *Autorité des marchés financiers* (French Financial Markets Authority – AMF).

Article 7 - Statutory auditor

A statutory auditor is appointed by the governing body of the management company for a term of six financial years, with the approval of the *Autorité des marchés financiers* (French Financial Markets Authority – AMF). The statutory auditor certifies the accuracy and consistency of the financial statements. The appointment of the statutory auditor may be renewed.

The statutory auditor is required to notify the *Autorité des marchés financiers* (French Financial Markets Authority – AMF) as soon as possible of any fact or decision relating to the UCITS of which they become aware in the course of their audit that may:

- Constitute a breach of the laws or regulations applicable to this UCITS that could have a significant impact on its financial situation, results or assets;
- Undermine the conditions or continuity of its business;
- Entail the issuing of reservations or the refusal to certify the financial statements.

Asset valuation and the determination of exchange terms pertaining to conversions, mergers or split transactions are carried out under the supervision of the statutory auditor. The statutory auditor shall determine the value of any contribution in kind under their own responsibility. The statutory auditor monitors the accuracy of the composition of assets and other items prior to publication. The statutory auditor’s fees shall be set by mutual agreement between the auditor and the board of directors of the management company, on the basis of a work schedule setting out the checks deemed necessary. The statutory auditor shall certify positions serving as the basis for any interim distribution. The statutory auditor’s fees are included in the management fees.

Article 8 - Financial statements and management report

At the closing of each financial year, the management company prepares the financial statements and a report on the fund’s management during that year. The management company prepares a statement of the Fund’s assets and liabilities, at least once every half-year and under the supervision of the depositary. All of the above documents are reviewed by the statutory auditor.

The management company shall make these documents available to unitholders within four months of the end of the financial year and inform them of the amount of income attributable to them: These documents are either sent by mail at the express request of the unitholders, or made available to them by the management company.

SECTION 3: TERMS AND CONDITIONS OF ALLOCATION OF DISTRIBUTABLE SUMS

Article 9 - Terms and conditions of allocation of distributable sums

Net income for the financial year shall be equal to total interests, arrears, dividends, premiums and bonuses, attendance fees and any other income relating to securities constituting the Fund portfolio, plus income from short-term liquidities, minus management fees and borrowing costs.

Distributable amounts consist of:
1. Net income plus retained earnings plus or minus the balance of accrued income;
2. Realised capital gains, net of fees, minus realised capital losses, net of fees, recorded during the financial year, plus net capital gains of the same kind recorded during previous financial years and that have not been distributed or accumulated, plus or minus the balance of capital gain accruals.

The amounts stated in points 1 and 2 may be distributed, either entirely or partially, independently of one another. The management company shall decide on the appropriation of distributable amounts. Where applicable, the Fund may choose one of the following options for each unit class:

- accumulation: distributable amounts are fully reinvested, with the exception of those that must be distributed pursuant to legal provisions;
- distribution (with the possibility of interim distribution):
    - of all distributable sums (all amounts mentioned in points 1 and 2), to the nearest rounded figure;
    - distributable sums mentioned in point 1 to the nearest rounded figure;
    - distributable sums mentioned in point 2 to the nearest rounded figure.
- for Funds which prefer to maintain the freedom to accumulate and/or distribute all or part of the distributable sums, the management company decides each year on the appropriation of distributable sums mentioned in points 1 and 2 with the possibility of interim distribution.

SECTION 4: MERGER – SPLIT – WINDING UP – LIQUIDATION

Article 10 - Merger & Split

The management company may either transfer, in full or in part the assets included in the fund to another UCITS that it manages, or split the fund into two or more other funds for which it will provide management.

A merger or split may not be carried out until one month has elapsed after notice of the transaction has been given to the unitholders. A merger or split gives rise to the issuance of a certificate specifying the new number of units held by each unitholder.

Article 11 - Dissolution & Extension

If the Fund assets remain below the amount specified in the above-mentioned Article 2 for a period of thirty days, the management company shall wind-up the Fund and inform the *Autorité des marchés financiers* (French Financial Markets Authority – AMF), unless it is merged with another investment fund. The management company may wind up the Fund before term. It shall inform unitholders of its decision and subscription or redemption orders shall no longer be accepted as of that date.

The management company shall also wind up the Fund if it receives redemption orders for all of its units, if the depositary ceases to perform their duties where no other depositary has been designated, and upon the expiry of the Fund's term unless it has been extended.

The management company shall inform the *Autorité des marchés financiers* (French Financial Markets Authority – AMF) in writing of the scheduled date and selected winding-up procedure. It shall then send the statutory auditor's report to the *Autorité des marchés financiers* (French Financial Markets Authority – AMF).

Extension of a fund may be decided by the management company in agreement with the depositary. Its decision must be taken at least 3 months prior to expiry of the Fund's term, and both unitholders and the *Autorité des marchés financiers* (French Financial Markets Authority – AMF) must be informed at the same time.

Article 12 - Liquidation

If the fund is wound up, the management company shall be responsible for the liquidation process. The liquidation process may be entrusted to the depositary subject to their consent. The management company or, where applicable, the depositary, shall be vested with the broadest powers to dispose of assets, pay any creditors and distribute the remaining balance between unitholders in cash or securities. The statutory auditor and the depositary shall continue in their respective capacities until the liquidation process is complete.

SECTION 5: DISPUTES

Article 13 - Competent courts & Choice of jurisdiction

All disputes related to the Fund that may arise during the term in which it operates, or during its liquidation, either between the unitholders or between the unitholders and the management company or the depositary, are subject to the jurisdiction of the competent courts.

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

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 may or may not be aligned with the Taxonomy.

Product name: **SYCOMORE SELECTION MIDCAP**
Legal entity identifier: 9695 00I6RNYMWEBQLS 07
Date of publication:03/11/2025

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** ___%	☒ **It promotes Environmental/Social (E/S) characteristics,** and while it does not have a sustainable investment objective, it will have a minimum of 50% 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
	☒ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** ___%	☐ It promotes E/S characteristics, but **will 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?

The Fund tracks environmental and social characteristics by relying on Sycomore AM's internal "SPICE" ESG (Environmental, Social, Governance) methodology described below.

It is composed of at least 50% sustainable investments as defined below and described in the Management Company's ESG documentation.

It also aims to outperform its benchmark index with respect to two ESG indicators detailed in the following question.

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

What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?

The assessment of the Fund's attainment of the environmental and social characteristics it promotes is based in particular on the following sustainability indicators:

- **SPICE ratings of investee companies**: SPICE[1] stands for Society & Suppliers, People, Investors, Clients, and Environment. This rating assesses the companies' sustainable performance. 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 takes into account a selection of criteria from which a score between 1 and 5 per SPICE letter is obtained. These 5 ratings are weighted such that environmental (SPICE rating E), social (SPICE Ratings S, P, & C) and governance issues (50% SPICE Rating I) each make up 20% of the final rating, with the weighting varying depending on the sector.
- **Minimum amount of sustainable investments:** The fund invests partly in sustainable investments, i.e. economic activities that contribute to an environmental or social objective, provided that these investments do not significantly harm said objectives and that the investee companies follow good governance practices.

Additionally, as part of the SRI Label, the Fund undertakes to outperform its financial benchmark with respect to the following two indicators:

- **Workforce growth over three years;**
- **Carbon intensity.**

[1] More information is available in Sycomore AM's ESG integration policy, which is available on its website: https://en.sycomore-am.com/esg-research-material

What are the objectives of the sustainable investments that the financial product particularly intends to make and how does the sustainable investment contribute to such objectives?

The Fund may partially make sustainable investments with a social or environmental objective. Investments are classified as sustainable if they are identified as contributing positively to environmental or social challenges through their products or services or through their practices.

In order for an investment to be classified as a sustainable investment, the following requirements must be met:

1) the achievement of a minimum score on at least one of the indicators of positive contribution of the definition of sustainable investment established by Sycomore AM;

2) absence of significant harm;

3) good governance practices.

These elements are detailed in Sycomore AM's ESG integration policy.

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

How do the sustainable investments that the financial product particularly intends to make not cause significant harm to any environmental or social sustainable investment objective?

For investments classified as sustainable that the financial product may partially make, four elements are put in place to prevent sustainable environmental or social objectives from being significantly affected:

1. **The Investment Manager's SRI exclusion policy**[2]**:** certain activities are considered not sustainable due to their controversial social or environmental impacts, as defined in Sycomore AM's basic policy (applicable to all direct investments of Sycomore AM) and in the Socially Responsible Investment (SRI) policy (applicable to all UCITS, mandates and dedicated funds managed according to an SRI strategy).
2. **Companies affected by a level 3/3 controversy**[3]**:** identified based on the Investment Manager's in-depth analysis of controversies. Companies classified as most controversial (-3 on the Sycomore AM scale, which ranges from 0 to -3) are considered to be in breach of one of the principles of the United Nations Global Compact.

3. **Minimum SPICE rating**: the SPICE methodology covers all environmental, social, and governance issues targeted by the adverse sustainability impact indicators listed in the Regulatory Technical Standards. A rating that is too low indicates a potentially lower sustainability performance on one or more adverse impacts.
4. **According to Sycomore AM's Principal Adverse Impact (PAI) policy**[4]: a PAI policy to identify additional risks of significant impacts on the environmental and social issues covered by the PAI indicators listed in Table 1 of Annex I of the SFDR is implemented.

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[2] More information is available in Sycomore AM's exclusion policy, which is available on its website: https://en.sycomore-am.com/esg-research-material

[3] More information is available in Sycomore AM's ESG integration policy, which is available on its website: https://en.sycomore-am.com/esg-research-material

[4] More information is available in Sycomore AM's Principal Adverse Impact policy, which is available on its website: https://en.sycomore-am.com/esg-research-material

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

The indicators for adverse impacts are taken into account by the Management Company: The policy on taking into account indicators for principal adverse impacts is available on Sycomore AM's website.

In particular, the SPICE methodology covers all environmental, social, and governance issues targeted by the indicators of adverse impacts on sustainability factors listed in the Regulatory Technical Standards.

More specifically, Sycomore AM's **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 adverse impacts as well as key sustainable opportunities using a dual materiality approach.

Sycomore AM's **Principal Adverse Impact policy** sets out how the issues covered by the PAI are covered by SPICE.

Furthermore, **Sycomore AM's exclusion policy** targets indicators of adverse impact on sustainability, including controversial weapons, exposure to thermal coal, production of chemical pesticides, and more generally, has been drafted to target companies that violate the principles of the United Nations Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

— — *How are the sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Detailed description:*

The development of Sycomore AM's "SPICE" analytical framework and exclusion policy are 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. To assess the fundamental value of a company, analysts systematically examine how a company interacts with its stakeholders. This fundamental analysis aims to understand the strategic issues, business models, quality of governance and degree of integration of sustainability considerations, as well as the risks and opportunities facing the company. Sycomore AM has also defined its human rights policy in accordance with the United Nations Guiding Principles on Business and Human Rights.

Despite the due diligence described above to identify potential violations of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, effective compliance with the issuers analysed can never be guaranteed.

The EU Taxonomy sets out a "do no significant harm" principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and which include 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.

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

Does this financial product consider principal adverse impacts on sustainability factors?

✖ Yes

as indicated in the previous sub-section, the principal adverse impacts, as well as all other adverse impacts, are taken into account for any investment of the portfolio through the SPICE analysis and results, supplemented by Sycomore AM's exclusion policy.

Information on the principal negative impacts on sustainability factors will be published in the annual report of the Fund.

☐ No

What investment strategy does this financial product follow?

The **investment strategy** guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund's investment strategy is based on a net asset exposure of 60% to 100% to equities from European Union countries, with at least 75% of the portfolio invested at all times in equities eligible for French equity savings plans (*Plan d'Épargne en Actions* – PEA).

These equities are selected without sector restrictions but with a capitalisation constraint, with 51% of net assets at all times exposed to equities of small and/or mid-cap companies, i.e. those with a market capitalisation of less than EUR 15 billion.

For more details on the Fund's investment strategy, please refer to the Fund's prospectus.

The Fund's investment strategy fully integrates ESG (environmental, social (including human rights), and governance) issues. This integration is carried out through the Management Company's proprietary "SPICE" methodology described earlier, and as described in the ESG integration policy made available on the website.

We aim to identify the risks and opportunities to which companies are exposed by following a dual materiality approach, and more specifically:

- On the Environment, Pillar E evaluates how companies take environmental protection into account in the conduct of their business as well as in their supply of products and services. It also looks at how the environment can affect the company's activities. It fully integrates analysis of transition risk and physical risk exposure;
- At a social level, Pillars P, S and C aim to understand how companies integrate risks and opportunities related to human capital, relations with suppliers and clients and society as a whole. In particular, respect for workers' rights, employee health and safety, the quality of the working environment, the societal contribution of products

and services, the ability of companies to contribute to the creation of quality jobs and respect for human rights throughout the business value chain are key issues covered by the analysis.

- On governance, Pillar I examines how companies recognise the interests of all stakeholders by sharing value equitably. This includes shareholder structure analysis, the alignment of senior management with the strategy, and the quality of the integration of sustainability issues into the strategy.

What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?

Two main filters, one of exclusion and the other of selection, are used.

- **Selection filter:** It aims to favour companies with sustainable development opportunities in five sub-groups: The Fund will select companies in such a way as to achieve a weighted average ESG rating for the portfolio that is higher than the weighted average ESG rating of the starting universe (as described in the prospectus), after eliminating the 25% worst stocks based on the ESG rating. This threshold will be raised to 30% as from 1 January 2026.

- **An exclusion filter**: This filter excludes companies which present sustainability risks that could call into question those companies' competitiveness or that could be the source of major negative impacts. A company is thus excluded if:
  - it is involved in activities identified in Sycomore AM's **SRI exclusion policy** for their controversial social or environmental impacts;
  - it is affected by a **level 3/3 controversy**.

The Fund also excludes investments in companies specified in Article 12(1) points a) to g) of Delegated Regulation(EU) 2020/1818 of the European Commission (**Paris Aligned Benchmark exclusions** or "PAB"). In case of overlap between two opt-out thresholds applied by the Fund, the strictest threshold applies.

At the product level, the management company aims to achieve a better performance than the Fund's reference benchmark concerning the two indicators that follow:

- Workforce growth over three years;
- Carbon intensity.

Additionally, the Fund makes a binding commitment to invest at least 50% of its net assets in sustainable investments that have either an environmental or a social objective. The sustainable investment definition applied by the Management Company in accordance with the EU Regulation known as SFDR is available in the ESG integration policy published on the website.

The main methodological limits associated with the non-financial approach are as follows:

- The availability of data for ESG analysis;
- The quality of the data used to assess the quality and impact of ESG as there are no universal standards for ESG information and third-party verification is not systematic;
- Data comparability because not all companies publish the same indicators;
- The use of proprietary methodologies that rely on the experience and expertise of the asset manager's staff.

What is the committed minimum rate to reduce the scope of the investments considered prior to the application of that investment strategy?

The weighted average ESG rating of the portfolio must be higher than the weighted average ESG rating of the starting universe (as described in the Fund prospectus). This means that the weighted average ESG rating of the portfolio can under no circumstances be inferior to the weighted average ESG rating of the starting universe, after eliminating the 25% worst stocks based on the ESG rating. This threshold will be raised to 30% as from 1 January 2026.

What is the policy to assess good governance practices of the investee companies?

Good governance practices include sound management structures, employee relations, remuneration of staff and tax compliance.

Governance is part of the SPICE analysis, including a section dedicated to governance (section "G") in Pillar "I", which has a significant focus on governance bodies, and integrates other governance elements from the other pillars, including employee relations and compensation within Pillar "P", as well as tax practices within Pillar "S". The overall governance of the issues associated with each type of stakeholder (Society & Suppliers, People, Investors, Clients, and Environment) is addressed in each of these pillars.

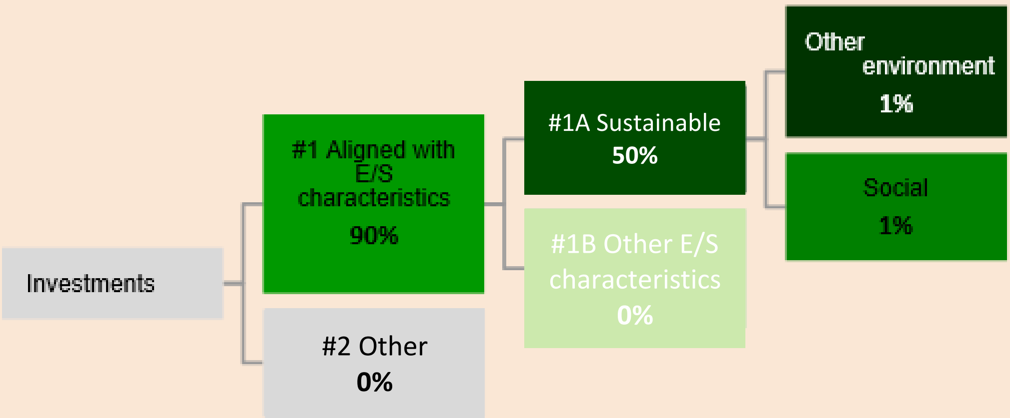
Other requirements to exclude from the investment universe insufficient governance practices in section "G", associated with a minimum threshold, are included in Sycomore AM's exclusion policy.

Asset allocation describes the share of investments in specific assets.

What is the asset allocation planned for this financial product?

The binding elements described herein apply to any of the Fund's investments (excluding cash and derivatives used for hedging).

The asset allocation figures shown below are pre-contractual minima expressed as a percentage of net assets and are not indicative of a target allocation. For information on the percentages achieved, please refer to the annual report.



#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 remaining investments of the financial product that are neither aligned with 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 sustainable investments with environmental or social objectives.
- The sub-category **#1B Other E/S characteristics** covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

The objective for the remaining portion of investments, including a description of minimum environmental or social guarantees, is set out in the following questions: "What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?"

How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?

The policy for using derivatives, whose underlying assets are subject to the SPICE analysis process, is compatible with the objectives of the Fund and consistent with its inclusion in a long-term perspective. It is not intended to significantly or permanently distort the ESG selection policy. The use of derivatives is limited to techniques allowing for efficient management of the portfolio of securities in which the Fund is invested. The Fund may not hold a short position in any asset selected as ESG, according to its own method of ESG asset selection.

The Fund's use of derivatives for exposure, apart from efficient and marginal management, is necessarily of a temporary and exceptional nature.

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.

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

The investments underlying the financial product that take into account the European Union's criteria for environmentally sustainable economic activities represent a minimum commitment of alignment of 0% of investments.

Does the financial product invest in fossil gas and/or nuclear energy-related activities that comply with the EU Taxonomy?[1]

☐ Yes:

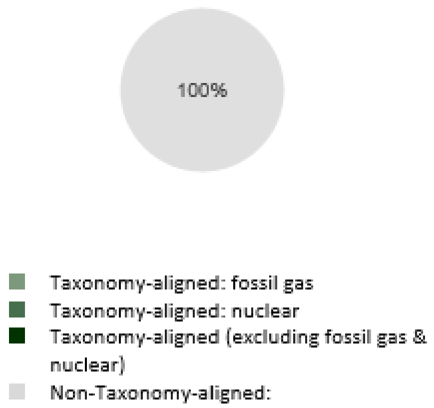
☐ In fossil gas ☐ In nuclear energy

☒ No

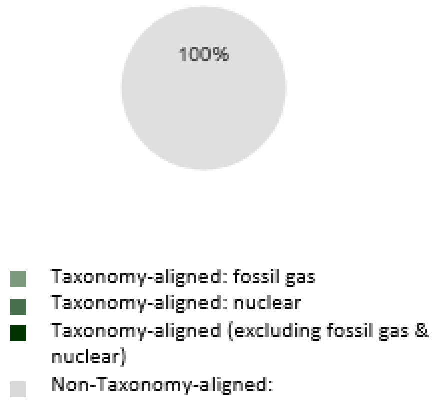
[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective - see explanatory note in the left-hand margin. The full criteria for fossil gas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

In the two graphs below, the minimum percentage of investments that are aligned with the EU Taxonomy are shown in green. 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.

1. 1. Taxonomy-alignment of investments including sovereign bonds*



2. 2. Taxonomy-alignment of investments excluding sovereign bonds*



This graph represents 100% of the total investments.

**** For the purpose of these graphs, "sovereign bonds" include all sovereign exposures***

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to 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 activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

The symbol represents sustainable investments with an environmental objective **which do not take into consideration the criteria** applicable to environmentally sustainable economic activities under the EU Taxonomy.

What is the minimum share of investments in transitional and enabling activities?

N/A

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The Fund makes a commitment regarding a minimum proportion of investments in sustainable investments with an environmental objective (1%).

However, the Fund will continuously invest at least 50% of its net assets in sustainable investments that have either an environmental or a social objective.

What is the minimum share of socially sustainable investments?

The Fund makes a commitment regarding a minimum proportion of investments in sustainable investments with a social objective (1%).

However, the Fund will continuously invest at least 50% of its net assets in sustainable investments that have either an environmental or a social objective.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments included in the "#2 Other" category are related to derivative instruments used for hedging purposes, cash held on an ancillary basis, or cash equivalents such as government bonds.

Bonds, other international debt securities and short-term negotiable securities from public issuers will be selected through an in-house rating of the issuing Country strictly above 2.5 on a scale of 5 (5 being the highest rate), the Country being thus considered as sufficiently favourable to sustainable and inclusive development.

Other cash equivalents and similar instruments held on an ancillary basis, as well as derivatives held for hedging purposes, are not subject to minimum environmental or social guarantees.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

There is no specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes.

The Fund’s reference benchmark, which is only used to evaluate performance, is a broad market index.

Reference benchmarks are indices to measure whether the financial product attains the environmental or social characteristics that it promotes.

- ***How is the reference benchmark aligned at all times with each of the environmental or social characteristics promoted by this financial product?***

Not applicable

- ***How is the alignment of the investment strategy with the index methodology guaranteed at all times?***

Not applicable

- ***How does the reference benchmark differ from a relevant broad market index?***

Not applicable

Where is more information available on the calculation method used for the chosen index?

Not applicable

Where can I find more product-specific information online?

More product-specific information can be found on the website:

https://en.sycomore-am.com/funds/5/sycomore-selection-midcap