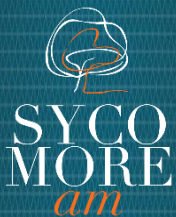


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Sycomore AM
ESG Performance
Reports

REPORTING PROTOCOL

January 2018



Record of versions and amendments:

Version	Date	Nature of changes made	Document amended by
Version 1	January 2018	Non applicable (NA)	SRI and Risk Management teams

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1. BACKGROUND AND OBJECTIVES

We have been in the asset management business for 15 years. And what have we noticed over this time? That the companies addressing real needs, whether social or environmental, are the companies of the future. And that value can only be sustainable if it is shared. Through our investments, we want to demonstrate that it is possible to combine purpose and performance.

In 2015, Sycomore re-affirmed its vision, which is “to make investment more human” by creating value in a consistent and sustainable way for its clients, and for all of the company’s stakeholders. Through our SPICE research model, the analyst-fund managers of Sycomore AM keep a close watch on how listed companies interact with Society, Suppliers, People, Investors, Clients and the Environment. They analyse the strength of their business and governance models and assess the risks and opportunities, while striving to measure the social and environmental impacts of their investments.

Measuring the ESG performance of our investments is also our role, as responsible investors. We began working on the definition of a tool for measuring environmental impact (Contribution to the Energy and Environmental Transition in 2018) as early as 2015, and are now considering ways in which we can measure companies’ societal impact. In this context, and in light of the SRI certification of some of our Funds, we have also drawn up ESG performance indicators that are published for the SRI labelled Funds.

Consequently, this reporting protocol is the logical extension of our commitment to responsible investing and meets the requirements of the SRI Label. The label’s technical specifications state that the certified funds are requested to:

- Publish indicators relating to the impacts of environmental performance, social performance, performance on governance issues and performance in relation to human rights;
- Provide information on how the monitoring of these impacts is organised in relation to the issuers selected for the portfolios.

The aim of the protocol is therefore to provide details on:

- The choices made by Sycomore AM in terms of the information disclosed (paragraph “Information Disclosed”);
- The resources allocated to the production of the reports (paragraph “General reporting procedures”);
- The methodology used for calculating the selected indicators (paragraph “Methodology used for calculating the indicators”);
- Information on the publication of the reports after production (paragraph: “Presentation of results”).

This reporting protocol concerns the 2016 ESG performance reports produced for the Sycomore Eco Solutions, Sycomore Happy@Work, Sycomore Sélection Crédit and Sycomore Sélection Responsable funds, and the 2017 ESG performance report for the Sycomore Shared Growth fund.

The document is available for download from Sycomore AM’s website: page <http://www.sycomore-am.com/Notre-demarche-responsable#documentation>.

2. INFORMATION DISCLOSED

For each certified fund, Sycomore AM has chosen to present performance indicators covering a full range of issues - employment, human rights, diversity and net environmental contribution: these indicators - details of which are provided below - are common to all the reports produced for certified funds.

All of our investment teams can input qualitative or quantitative information concerning the impact of investments in these reports. Information can be presented in relation to the Sustainable Development Objectives (SDO): some concrete examples of impacts from portfolio holdings can be provided as an illustration.

3. GENERAL REPORTING PROCEDURES

3.1. Responsibilities

In the production of ESG performance indicators, roles and responsibilities are allocated as follows:

- Writing up and updating of reporting protocol: the SRI investment team is responsible for updating this protocol. The team relies on input from the Risk Management unit for details on the source of data and calculation methodologies;
- Approval of the reporting protocol: this reporting protocol is approved by the SRI Investment team and the Chief Compliance Officer (CCO);
- Production of reports: the Risk Management team is responsible for producing the reports;
- Approval of reports: the data is approved by the Head of Risk Management, the SRI team and the investment team responsible for each Fund;
- Design and publication of reports: the Marketing team is responsible for the design and publication of the reports; the reports are then checked by the CCO before publication.

3.2. Scope

These reports aim to cover all portfolio assets held during the financial year: the data is calculated on the securities held in the portfolio in year Y, based on their average weighting during the year, which takes into account the period of time the asset was owned by the portfolio. Note that for the 2017 report on Sycomore Shared Growth, the data was calculated based on portfolio holdings as of 31st December 2017 as the Fund received its SRI Label in December 2017.

The data is shown for financial year Y and compared with each fund's benchmark data.

The coverage ratios for indicators are shown in the reports.

3.3. Calendar

The reports are produced annually prior to June 30th in year Y+1, for year Y.

3.4. Tools

We use in-house portfolio monitoring tools as well as external data (Bloomberg and Factset primarily). Details on the tools and data sources for each indicator are provided in the following pages.

3.5. Controls

The data prepared for publication is controlled initially by the head of Risk Management, then by the investment teams responsible for each fund. The CCO checks the final document - including all data and comments - prior to publication.

4. METHODOLOGY USED FOR CALCULATING THE INDICATORS

4.1. Headcount variation over the past 3 years

Indicator chosen

We assess a company's ability to create employment by looking at the change - positive or negative - in cumulated headcounts over the past three financial years.

Definition

We define the headcount variation as the difference between the number of employees in year Y and in Y-3.

Methodology

The indicator is obtained by subtracting the headcount in year Y-3 with the headcount in year Y, and dividing the total by the figure of year Y-3. Headcounts for years Y-1 and Y-4 can be used if the data is not yet available for year Y (for more details, please see paragraph on "Data Sources"). We use the figures reported by the companies; no revisions are made to take into account mergers and/or acquisitions.

The aggregate indicator is calculated by average-weighting the headcount variation of each company based on its weight in year Y within the portfolio, or the benchmark.

Sources

The headcount data is extracted using Facstet, which defines the number of employees as follows:

"The indicator represents the number of employees under the company's payroll as reported by the management to the shareholders within 90 days of the fiscal year-end. This is reported by some as an average or as of the year end and may or may not include irregular employees. For most, however, no attempt is made to distinguish these reporting patterns. If both the average and year-end figures are reported, the year-end figure is collected."

4.2. Women on the executive committee

Indicator selected

The difference between the percentage of female executives and the percentage of women under the company's headcount provides insight into a company's ability to promote diversity and equal opportunities with the business. Although many companies disclose the percentage of women in management, they provide the information at different echelons and the underlying "managers" category varies from one company to another. In order to improve the consistency and data, and be able to produce aggregates for each fund, we have chosen to use the percentage of women sitting on the executive committee.

Definition

This indicator shows the percentage of women on the executive committee and in the company's headcount.

Methodology

The percentage of female executives and the percentage of women within the companies' headcounts are extracted directly from Bloomberg. The aggregate indicators are obtained using a weighted average on the stocks held in the portfolio during the financial year, and in each fund's benchmark.

Sources

The gross data is extracted from Bloomberg, which defines the selected indicators as follows:

- **PERCENTAGE_OF_FEMALE_EXECUTIVES:** "Number of female executives, as a percentage of total executives, as of the fiscal year end wherever available, otherwise as of the date of the latest

filing. Executives are as defined by the company, or those individuals that form the company executive committee/board or management committee/board or equivalent.”

- *PCT_WOMEN_EMPLOYEES: “Number of women employed at the company expressed as a percentage of the total number of company employees.”*

4.3. Percentage of companies with a Human Rights Policy

Indicator selected

A company’s commitment to human rights issues can be assessed by looking at whether it has drawn up a Human Rights policy. We have selected an indicator provided by Bloomberg, whose research capabilities can help us identify the companies that have provided information on the existence of a Human Rights policy. Note that we have chosen not to use an indicator that would be based on controversies affecting companies on human rights issues. We believe that the number of controversies is not representative of the commitment and resources allocated by a company to address these issues: the number of controversies depends on the size of the company and on its media exposure, and does not take into account the procedures implemented to manage the controversial event.

Definition

A company is considered as having a Human Rights policy when it communicates explicitly on the implementation of specific initiatives designed to protect human rights.

Methodology

The indicator is obtained by dividing the number of companies having begun such initiatives by the total number of companies in the portfolio, based pro rata on the average weightings within the portfolio or the benchmark.

Sources

The gross data is extracted from Bloomberg, which defines the selected indicators as follows: HUMAN_RIGHTS_POLICY - “Indicates whether the company has implemented any initiatives to ensure the protection of the rights of all people it works with. “N” indicates that the company has not explicitly disclosed any such efforts in its most recent Annual or Company Responsibility reports”.

4.4. Net Environmental Contribution (NEC)

Indicator selected

The Net Environmental Contribution (NEC) measures the environmental impact of businesses: this indicator, which can be aggregated at portfolio level, takes into account all negative and positive impacts a company can have on the environment, covering the full value chain, and without limiting its scope to the carbon footprint.

Definition

Launched in 2017, the Net Environmental Contribution (NEC) measures the extent to which a company’s business model is aligned with the energy and environmental transition and the fight against global warming. It is expressed as a percentage of income and ranges from -100% for businesses that are very destructive of natural capital - such as coal-fired power stations or the manufacture of pesticides - to +100% for companies with maximal positive impact, offering clear solutions to environmental and climate-related challenges, such as the manufacture of wind turbines or the production of organic food.

Methodology

The details of our methodology are available upon request.

Sources

This indicator is developed by Sycomore AM, using expert input from I Care&Consult and Quantis and in partnership with BNP Paribas Securities Services.

4.5. *Impact of our investments on healthcare (2017 performance report for the Sycomore Shared Growth Fund)*

Indicator selected

Our aim, through this indicator, is to provide concrete and tangible insights into the societal impact of healthcare companies held in the portfolio. The societal impact of products and services, as well as donations and patronage, are also part of the selection criteria used for the Sycomore Shared Growth Fund.

Definition

The published indicators measure the number of people who have benefited from the products and services provided by the healthcare sector companies owned by the portfolio during the 2016 fiscal year, and which disclose concrete indicators on the impact of their business. These impacts can be in relation to their core business, inclusive business models or philanthropic programmes.

Methodology

The impact data published by the company is then weighted according to the percentage of capital owned by Sycomore Shared Growth as of 29/12/2017.

For example, on page 51 of its 2016 annual report, Essilor mentions that 3 million people received their first pair of glasses in 2016 thanks to the company's various initiatives (inclusive models and philanthropic programmes). As of 29/12/2017, Sycomore Shared Growth owned 0.03% of Essilor's capital.

At portfolio level, 886 people were equipped with glasses based on the following calculation: $3\,000\,000 \times 0.0295202\% = 886$.

Sources

The data is extracted from annual reports or reference documents published by the companies for the 2016 financial year.

5. PRESENTATION OF RESULTS

The results are published before June 30th in year Y+1, for fiscal year Y. The data is available on Sycomore AM's website, in the pages dedicated to each SRI Fund.

DISCLAIMER

Readers should note that the information contained in this document is the exclusive responsibility of Sycomore Asset Management. This document was created for information purposes only. It constitutes neither an offer nor a personalized recommendation or solicitation of investment.

FCPs offer no guarantee as to returns or capital protection. Investors should be aware that their capital invested may not be fully recovered. The funds may not achieve their target performance and may not meet investor objectives. The performance of a share can be attributed in part to environmental, social or governance indicators, which are not, however, the only determining factors of this performance. It should be noted that past performance are not an indication of future performances and are not constant over time. Before investing, read the fund's full prospectus, available for consultation on our website www.sycomore-am.com.