

Net Environmental Contribution®: Sycomore AM and partners open-source new multi-issue environmental metric for finance industry

Paris, November 5th 2018.

As urgent calls for action on climate change and environmental protection intensify, the financial sector has begun searching for robust tools to capture environmental risks to better support responsible investment strategies and decision-making. In response to this growing need, Sycomore Asset Management has made the decision to share its proprietary Net Environmental Contribution® (NEC) metric through a collective platform: the NEC initiative.

The NEC is the result of 3.5 years of R&D conducted with environmental sustainability consultancies, I Care & Consult and Quantis, and with BNP Paribas Securities Services. It measures the extent to which businesses are aligned with the environmental and energy transition and with global warming targets. The outcome is a single figure ranging from -100% to +100% that can be applied to all industries and funding types.

Jean-Guillaume Péladan, portfolio manager and head of Sycomore AM's environmental strategy, explains the background of the initiative: "Our aim was to provide a simple answer to a complex question: 'Does this business, company, fund or index contribute to the environmental and energy transition?' We worked with a body of experts supervised by an independent strategic committee. As the first results were extremely encouraging, we continued our efforts and by 2018 had achieved a coherent system that has already been tested on over 1,300 stocks and bonds".

Guillaume Neveux, CEO of I Care & Consult, comments: "Since 2015, our clients' interest in the NEC has grown considerably and we have applied this indicator across different asset classes: listed companies, private equity, infrastructure and real estate. Investors are interested in the wide-ranging nature of its sector applications, its ability to integrate the full range of environmental issues relevant to specific industries, and its discriminatory power. We firmly believe that the NEC Initiative will attract a large number of financial players keen to join us in developing this new standard".

Emmanuelle Aoustin, CEO of Quantis adds: "The development of robust, multi-indicator environmental metrics for evaluating financial assets is a major step forward that will serve as a driving force for our ecological transition. As one of the co-founders and the organizer of the NEC initiative, Quantis is proud to bring to the platform its expertise in environmental metrics and experience in co-founding several recognized pre-competitive initiatives. Together, we will accelerate the alignment of investments with a sustainable economic model."

Christine Kolb, partner and founder of Sycomore AM, points out that this disruptive initiative is a step towards achieving "finance with a purpose," keeping with Sycomore AM's mission statement: "The NEC began in 2015 with the launch of the Sycomore Eco Solutions fund. Since then, the NEC has become our compass as we navigate the environmental and energy transition and now covers all of our investments. In 2018, we believe that the NEC will be of greater use to our stakeholders and have a broader impact, particularly with our clients, if we move into an open-source system, sharing with an engaged and collaborative group".

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The Net Environmental Contribution® initiative will officially launch on November 6th, 2018 at 11:00 AM CET during the Positive Investors Forum organized by Novethic at the Pavillon Cambon Capucines in Paris:

http://www.positiveinvestorsforum.com/session_programme/5b8d4b09f210d73545ac6724?langue=en

For further information, an overview of the NEC, as well as the funds currently using it, is available at <https://en.sycomore-am.com/> and Sycomore AM's Natural Capital Strategy can be downloaded:

https://en.sycomore-am.com/5b34f956-Natural_Capital_Strategy_2018.pdf.

Details about the partnership with BNP Paribas Securities Services can also be downloaded:

<https://en.sycomore-am.com/Our-Magazine/2017/10/428-Environmental-impact-a-new-indicator-for-investors>, <https://securities.bnpparibas.com/news/calculating-the-environmental-im.html>

About Sycomore Asset Management

Founded in 2001, Sycomore AM is an entrepreneurial asset management company majority-owned by its founding partners and employees and specialised in listed company investments. Since its launch, Sycomore has been committed to delivering sustainable performance by identifying the long-term levers that enable a company to create sustainable value. Sycomore AM's expertise is driven by a field-approach and a proprietary fundamental research methodology, which includes financial and extra-financial criteria. The role of its team of 22 fund manager-analysts, including 8 ESG (Environment, Social, and Governance) specialists, is to assess the overall performance of a company in relation to its stakeholders: shareholders, clients, employees, suppliers, civil society and environment. Since 2015, Sycomore AM has broadened its scope with the launch of social, societal and environmental impact strategies: Sycomore Happy@Work, focused on well-being at work, followed by Sycomore Eco Solutions, dedicated to natural capital, and more recently Sycomore Shared Growth, managed with a strong societal capital bias.

About Quantis

Quantis guides top organizations to define, shape and implement intelligent environmental sustainability solutions. In a nutshell, our creative geeks take the latest science and make it actionable. They deliver resilient strategies, robust metrics, useful tools, and credible communications.

With offices in the US, France, Switzerland, Germany, Italy and Colombia and clients around the world, Quantis is a key partner in inspiring sustainable change on a global scale.

(re)discover Quantis at www.quantis-intl.com

About I Care & Consult

Founded ten years ago, I Care & Consult is the leading independent entrepreneurial consulting and innovation company dedicated to the environmental transition. Operating in both developed and emerging countries, it provides support to companies, investors and public stakeholders in analyzing environmental performance and defining transition strategies. With its 40 expert consultants covering all environmental issues, I Care & Consult offers innovative made-to-measure solutions for its clients.

I Care & Consult's ambition is to become the reference player in consulting in the area of integration of environmental issues in investment and financing decisions taken by financial actors to achieve their targets in terms of risk management and positive environmental impact. With this goal in mind, I Care & Consult draws on its expertise in environmental and financial engineering, its bottom-up research tools for different assets classes and its ability to innovate in terms of financial and extra-financial indicators.

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