

# MANDARINE SOCIAL LEADERS R

Eurozone Equity ISIN LU2052475568



MONTHLY REPORT DECEMBER 31, 2024

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## Risk profile

1 2 3 4 5 6 7

<b>-0.4%</b> Performance 1 month	<b>-6.1%</b> Performance YTD	<b>13.8%</b> Volatility 1 year
Bench. +1.3%	Bench. +9.3%	Bench. 12.9%



Adrien  
DUMAS

Aurélien  
TAIEB

Europe's political instability is still a major obstacle. France's Emmanuel Macron has tried to restore political dialogue by appointing François Bayrou as Prime Minister, but dissent remains rife. In Germany, meanwhile, the collapse of Olaf Scholz's coalition government means that a snap election is to be held in February 2025. All this reflects political uncertainty in Europe's two long-standing pillars. Such instability undermines efforts to revive the economy at a time when social and energy issues are intensifying. The ECB sent out a reassuring signal regarding its interest rate trajectory as inflation appears to be under control and settling in the region of 2%. Donald Trump's return to the US presidency and determination to tax imports into America will require increased agility on our part as we factor in this ever-changing backdrop.

The poorest contributors of the month included E.ON and Elia, both of which are power grid operators with massive financing needs; they are being hit by rising bond yields in Europe as this is increasing their financing costs.

The main portfolio movements over the month included our decision to exit from EDPR, a renewable energy capacity operator that is being penalised by a dispute with the Colombian government, which is eroding its earnings. On the other hand, we initiated a position in Hexagon AB, a measurement and modelling technology specialist whose end markets are improving.

### Main transactions over the month

(+) HEXAGON AB-B SHS (-) LONZA GROUP AG  
ASML HOLDING NV KNORR-BREMSE AG  
LEGRAND HOLDING SA (-) EDP RENOVAVEIS SA

(+) New holding (-) Sale

### Major contributors/detractors over the month (%)

HERMES +0.3 E.ON SE -0.3  
FINECOBANK SPA +0.2 ELIA -0.2  
SAP AG +0.2 DEUTSCHE TELEKO... -0.2

Mandarine Social Leaders selects eurozone companies that offer sustained growth momentum associated with a positive and inclusive societal contribution. The fund has been awarded various European SRI labels.

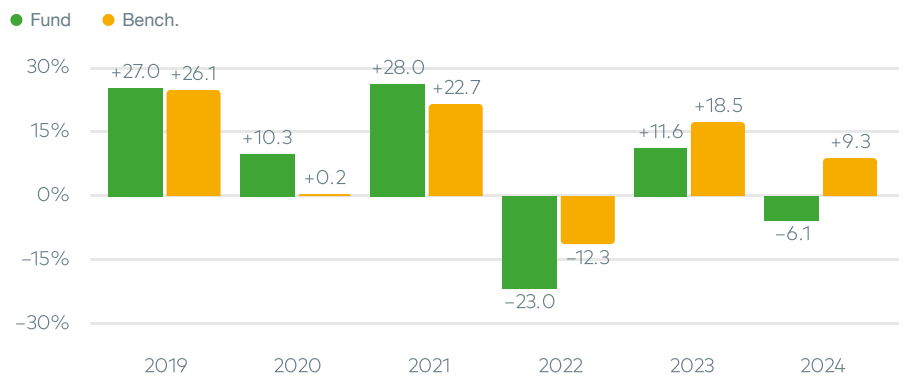
## PERFORMANCES AND RISKS

The data presented relates to past periods, past performance is not an indicator of future results. Statistical indicators are calculated on a weekly basis. Benchmark: Stoxx 600 NR until 30/11/2017, EuroStoxx NR since 01/12/2017.

### Evolution since inception



### Annual performances



### Rolling / annualized performances

	Rolling performances					Annualized performance			
	1 month	YTD	1 year	3 years	5 years	Inception	3 years	5 years	Inception
Fund	-0.4%	-6.1%	-6.1%	-19.3%	+13.9%	+82.5%	-6.9%	+2.6%	+5.1%
Bench.	+1.3%	+9.3%	+9.3%	+13.6%	+39.7%	+139.3%	+4.3%	+6.9%	+7.5%
Diff.	-1.8%	-15.4%	-15.4%	-32.9%	-25.8%	-56.8%	-11.2%	-4.3%	-2.4%
Quartile*	4	4	4	4	4	4			

\*Morningstar - Eurozone Equity Large Cap

### Risk indicators

	Fund volatility	Benchmark volatility	Tracking error	Information ratio	Sharpe ratio
1 year	13.8%	12.9%	6.7%	-2.3	-0.7
3 years	16.9%	16.1%	7.3%	-1.5	-0.5

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## PORTFOLIO STRUCTURE

### Main holdings

	Weight	ESG Rating (±2)	
SCHNEIDER ELECTRIC	5.2%	1.5	Industrials / France
WOLTERS KLUWER	4.8%	0.8	Cons.Discretionary / Neth...
KERRY GROUP	4.6%	0.6	Cons.Staples / Ireland
MERCK KGAA	4.3%	0.9	Health Care / Germany
ADYEN NV	3.7%	0.4	Industrials / Netherlands
BIOMERIEUX	3.6%	0.7	Health Care / France
SAP AG	3.6%	1.0	Technology / Germany
DEUTSCHE TELEKOM AG-REG	3.6%	1.0	Telecommunications / Ger...
E.ON SE	3.5%	1.2	Utilities / Germany
PRYSMIAN SPA	3.4%	1.1	Industrials / Italy

### Sector

Industrials	24.8%
Health Care	19.1%
Cons.Discretionary	18.1%
Technology	9.6%
Cons.Staples	7.8%
Utilities	4.5%
Basic Materials	4.3%
Telecommunications	3.6%
Financials	2.5%
Real Estate	1.4%
Cash & Others	4.2%

### Country

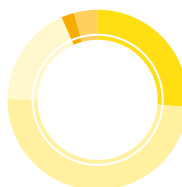
France	27.1%
Germany	22.8%
Netherlands	12.6%
Italy	8.3%
Ireland	5.9%
Denmark	3.3%
Switzerland	3.2%
Spain	2.7%
Belgium	2.4%
Finland	2.3%
Great-Britain	2.1%
Sweden	1.9%
Norway	1.1%
Cash & Others	4.2%

## FUND PROFILE

### Key figures at December 31 2024

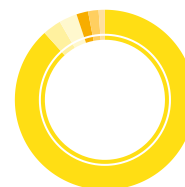
Asset under management	32.7M€
Equity exposure	95.8%
Number of holdings	38
Active share	77.5%
EPS growth (Next 12 M./Last 12 M.)	+12.1%
PE (Next 12 Months)	23.7x

### Capitalisation



Mega Cap	26.3%
Large Cap	48.9%
Mid Cap	18.3%
Small Cap	2.3%
Cash & Others	4.2%

### Currency



EUR	88.3%
DKK	3.3%
CHF	3.2%
GBP	2.1%
SEK	1.9%
NOK	1.1%

### ESG profile

<b>0,88</b> Fund ESG rating (-2/+2)	Bench. 0,93	<b>81</b> Carbon footprint*	Bench. 175
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\*Tonnes of CO2e/M€ invested, Direct (scope 1-2) + First tier indirect

## CHARACTERISTICS

ISIN LU2052475568	Bloomberg code MAMAACR LX Equity	Inception of the fund 17/12/2012	Shareclass inception 17/12/2012
Legal Status Sicav Lux.	Shareclass currency EUR	Investment horizon 5 years	Management company Mandarine Gestion
Depository BNP Paribas	Valuation Daily	Cut-Off 13h00	Settlement D+2
Management Fee 1.95%	Performance Fee 15% of the outperformance over the benchmark	Initial charge 2.00%	Redemption Fee 0%



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### RISK PROFILE – RISKS ASSOCIATED WITH THE PRODUCT

Risk of capital loss, equity market risk, risk linked to the ownership of small and midcaps, interest rate risk, credit risk and discretionary management risk, and to a lesser extent emerging market risk, counterparty risk and exchange rate risk. The descriptions and details are included in the complete prospectus of the UCITS. Investors are invited to read the prospectus in order to obtain detailed information regarding the risks to which the fund is exposed prior to any investment decision. This product does not offer any guarantee as to returns or the capital invested, which may not be entirely returned.

## SOCIAL METRICS

### Human Capital

Employee turnover, training, employee shareholding (Fund / Index coverage rate in %: training 42/64, shareholding 100/67)

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INDEX



Training hours

Employee shareholding

### Human Resources Controversies

Level of controversies related to human resources and human rights violations (Coverage rate: Fund 100% / Index 100%)

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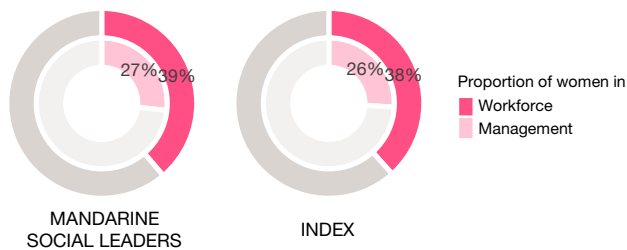
INDEX



■ No controversy ■ Level 1 ■ Level 2 ■ Level 3 ■ Level 4 ■ Level 5

### Gender Equality

Proportion of women in the workforce and in management (Coverage rate Fund / Index in %: workforce 85/93, management 53/61)



### Human Rights

Companies with a policy on Human Rights and signatories of The 10 Principles of the UN Global Compact (Coverage rate Fund / Index: human rights 86/90, global compact 97/97)

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INDEX



Human Rights Policy

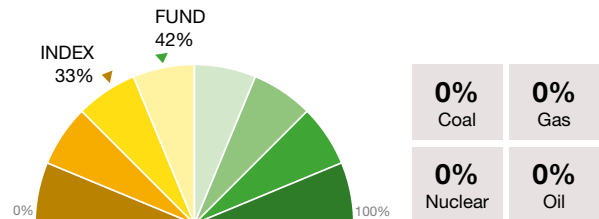
UN Global Compact



## CLIMATE ANALYSIS

### Green Share

Average % of revenue of companies eligible for the European Green taxonomy (coverage ratio: Fund 97% / Index 94%)



### 2°C alignment scenario

% of companies having submitted a scenario respecting the 2°C alignment trajectory set in Paris Agreement



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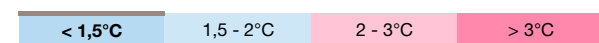
INDEX



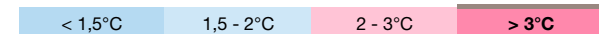
### Temperature

Current alignment trajectory of investments (Coverage ratio: Fund 95% / Index 95%)

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INDEX



### SFDR

SFDR classification	Minimum sustainable investments	Accounting for PAIs
Article 9	90%	Yes

### Sustainable Development Goals

Principal Sustainable Development Goals (SDG) of the UN covered by companies held by the fund



  DEFINITIONS & ACRONYMS

DESCRIPTION OF INDICATORS

**Human Capital**

*Annual employee turnover rate:* ratio between the sum of departures and arrivals and the company's workforce at the start of the year. Data provided by companies in their annual reports. A high staff turnover may indicate that employees are dissatisfied with their work within the company or with their remuneration, or that the business conditions are unsafe.  
*Training hours:* calculated from the total number of hours spent by the employee and the company on training.  
*Employee shareholding:* percentage of companies offering shareholding plans for their employees.

**Human Resources Controversies**

This indicator analyses incidents related to violations of human rights in business operations. It includes:  
 - incidents related to the use of forced labor and child labor in the company's own operations  
 - violations relating to remuneration and working conditions (i.e. wages) raised by own employees of the company  
 - incidents related to the company's activities that have a negative impact on the health and safety of workers (accidents at work, health risks, contamination, endangerment of employee safety).

**Green Share**

The green share of the portfolio corresponds to the percentage of revenues of companies eligible for the European taxonomy. This green taxonomy establishes criteria to orient finance in favour of climate-compatible activities. Three types of activities and six major environment objectives are identified:

Three types of activities identified		
<b>Low carbon activities</b> already compatible with a carbon neutral economy in 2050	<b>Transition activities</b> contributing to a carbon neutral economy in 2050	<b>Activities making possible carbon neutrality</b> with steep reductions in GHGs*

Six major environmental objectives	
Climate change mitigation	Adaptation to climate change
Sustainable use / protection of water and marine resources	Fight against pollution (prevention & control)
Transition to a circular economy, elimination of waste, recycling	Protection of healthy ecosystems

\*GHG: greenhouse gas

An activity is defined as green when it makes a substantial contribution to one of the six objectives without significantly impairing another objective and when it is in conformity with minimal social guarantees and the selection criteria.

**Carbon footprint**

The carbon emissions indicator represents the direct emissions (scope 1) and the "First Tier Indirect" emissions (scope 2 + emissions relating to leading suppliers) of companies held in the portfolio. The unit of measurement used to measure the carbon footprint is metric ton of CO2 per million of euros invested (tCO2e/€m).

**Alignment scenario and temperature**

The Science Based Targets (SBT) initiative enables companies to define and submit their greenhouse gas reduction objectives (scopes 1 and 2 + Scope 3 if this represents more than 40% of emissions) in order to respect the Paris Agreement on Climate Change (signed in 2015), whose objective is to limit global warming to under 2°C compared to the pre-industrial era and to pursue efforts to limit warming to 1.5°C. Over 900 companies throughout the world have already submitted their scenarios to the SBT. The list can be consulted on the <https://sciencebasedtargets.org/companies-taking-action> website.

GLOSSARY

**United Nations Global Compact**

The Global Compact is an initiative of the United Nations launched in 2000 to encourage businesses worldwide to adopt a socially responsible attitude by committing to integrate and promote The Ten Principles relating to Human Rights, international labor standards, environment and the fight against corruption. Although targeting primarily the business world, the Global Compact encourages also the participation of civil society, professional organisations, governments, United Nations organisations, universities and any other organisation.

**SBT / Science-Based Targets**

SBT is a set of methodologies with a shared principle of identifying the remaining carbon budget in order to avoid exceeding 1.5°C in global warming looking out to 2100 and allocates this carbon budget to different sectors of activities. This initiative was launched by the WWF (World Wildlife Fund), WRI (World Resources Institute) and CDP (Carbon Disclosure Project), with the latter now integrating the SBT concept in its ratings.

**GHG / Greenhouse gas**

The GHGs are gaseous components of the atmosphere, both natural and anthropogenic, that absorb and re-emit infrared radiation. These gases are responsible for the warming of the atmosphere. By way of example, the lifetime of greenhouse gases in the atmosphere is approximately 100 years for carbon dioxide (CO2), 120 years for nitrous oxide and up to 50,000 years for the halocarbons (source: ADEME).

**SDG / Sustainable Development Goals**

The sustainable development goals are a call to action by all countries in order to promote prosperity while protecting the planet. They go hand in hand with strategies for the development of economic growth and respond to a series of social needs while at the same time protecting the environment and fighting against climate change.