

METROPOLE SELECTION

Sub-fund of French legal umbrella fund METROPOLE Funds



January 2022
Data at 31 December 2021

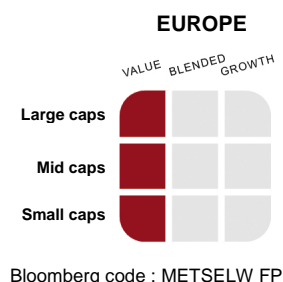
FR0011468602 / W

Investment strategy

A European UCITS V - Compliant fund
ECB Classification: Equity fund

Main Responsible Value investment cases for European stocks

Investment objective On an equity horizon to outperform the STOXX Europe Large 200 dividends net reinvested.	Reference Universe Stocks from the European Union, United Kingdom, Switzerland and Norway. All capitalisations.
Labels 	Characteristics A pure equity portfolio. Decorrelation from the large indexes in the short and medium term.



Sub-fund characteristics

The team and the sub-fund		Sub-fund administration	
Head of fund management	Isabel LEVY / Ingrid TRAWINSKI / Cédric HERENG	Total assets (in millions)	EUR 526.1
Fund Management	Collegiate fund mngt.	Net asset value (NAV)	EUR 295.85
Managed since	11/2002	Freq. of NAV calculation	Daily
Sub-fund inception date	31/03/2017	Type of valuation	Closing price
Change in management process	No	ISIN Code (W)	FR0011468602
Recommended investment horizon	5 years	Custodian	CACEIS Bank
		Fund administration	CACEIS Fund Administration
		Type	Capitalisation
		Max management fees (W)	0.85 %
		Ongoing charges (W)	1.10 %
Reference Universe			
Morningstar Pro category	Europe Large-Cap Value Equity		
Benchmark	Stoxx Europe Large 200		
Change in benchmark index	No		
Frequency of rebalancing	Daily		
Net dividends reinvested	Yes		

Management comments



The European fund management team: Ingrid TRAWINSKI, Jérémy GAUDICHON, Fredrik BERENHOLT, Isabel LEVY, Thibault MOUREU, Markus MAUS, Cédric HERENG.

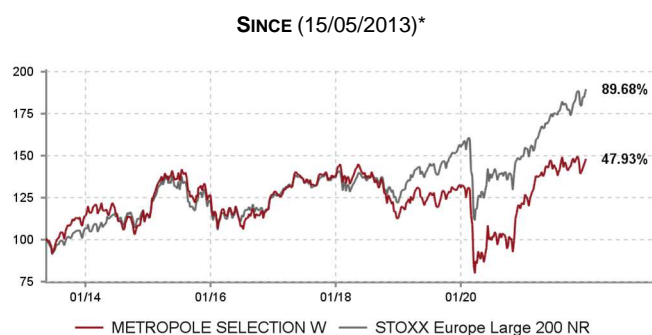
European equity markets rallied strongly in December, thanks in large part to reassuring health data. The new Omicron variant, more contagious but less severe than its predecessors, is unlikely to require the introduction of new restrictions. In one of the more optimistic scenarios, it could even prefigure an end to the pandemic. On the economic front, inflation gained fresh pace globally, prompting a number of central banks to bring forward the normalisation of their monetary policy. In the US, the Federal Reserve no longer considers inflation a transitory phenomenon. The prospect of an imminent end to the pandemic coupled with the rise in interest rates fuelled outperformances by cyclical stocks and those most exposed to the re-opening of economies, while overvalued stocks and those sensitive to interest rates moves underperformed.

In this context, the sub-fund outperformed its benchmark over the month, thanks to the effects of positive stock picking. Unicredit was the biggest positive contributor to performance, with the stock gaining almost 27% over the month after the bank announced its new strategic plan and pay-outs to shareholders of €16 billion over the next four years, equivalent to 60% of its market capitalisation. The ArcelorMittal, Informa, Nokia and Saint-Gobain stocks also featured among the month's biggest positive contributors to performance.

We made no change to the structure of the portfolio over the course of the month. The portfolio is positioned to take advantage of the main trends expected to emerge with the new economic cycle, namely a return of inflation and the continuation of massive investment plans as part of energy and digital transition.

In terms of ESG, the METROPOLE Sélection sub-fund maintained its high rating of AAA-.

Performances & risks



Risk indicators	1 year	3 years
Volatility	16.53 %	24.15 %
Volatility of benchmark index	12.38 %	18.84 %
Tracking error	9.42 %	10.35 %
Information ratio	-0.41	-0.62
Sharpe ratio	1.38	0.41
Alpha	-0.07	-0.34
Bêta	1.10	1.17
Morningstar®: ★★		

Summary Risk Indicator (SRI) ¹



Performances	Since inception	Annualised	YTD	1 mo.	3 mos.	6 mos.	1 yr.	3 yrs.	5 yrs.
Portfolio	47.93%	4.64%	22.31%	7.21%	2.44%	4.43%	22.31%	30.73%	16.90%
STOXX Europe Large 200 NR	89.68%	7.69%	26.20%	5.69%	8.59%	9.37%	26.20%	55.01%	51.05%
Performance gap	-41.75	-3.05	-3.88	1.52	-6.15	-4.95	-3.88	-24.28	-34.16

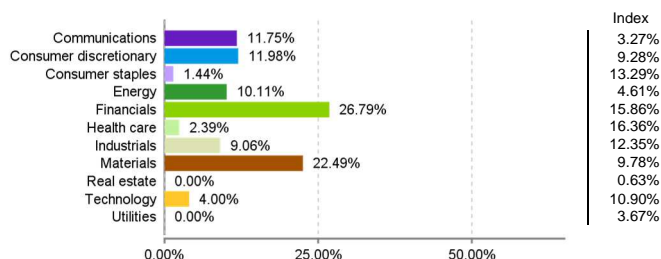
Calendar	2020	2019	2018	2017	2016	2015	2014	2013 (*)
Portfolio	-7.63%	15.70%	-17.74%	8.70%	0.09%	9.88%	0.62%	14.36%
STOXX Europe Large 200 NR	-3.06%	26.70%	-10.53%	8.92%	1.88%	7.70%	7.09%	6.86%
Performance gap	-4.57	-11.00	-7.21	-0.22	-1.79	2.18	-6.47	7.50

Past performances are no guarantee of current or future results.

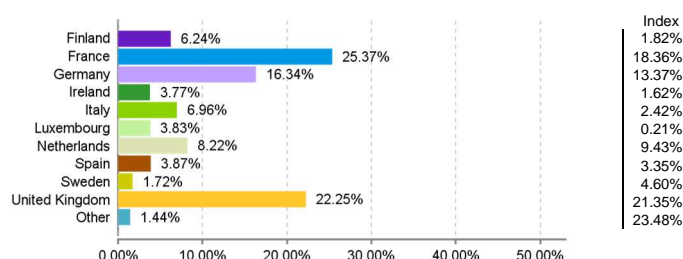
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Portfolio analysis

Sector breakdown



Geographical breakdown



Top Holdings

34.4 %

CIE DE SAINT-GOBAIN	3.8 %
UNICREDIT SPA	3.7 %
BANCO SANTANDER SA	3.6 %
CRH PLC	3.5 %
STORA ENSO OYJ	3.4 %
TOTALENERGIES SE	3.4 %
AXA SA	3.3 %
BNP PARIBAS SA	3.3 %
PUBLICIS GROUPE SA	3.3 %
BP PLC	3.1 %

Number of holdings: 38

Month purchases : -

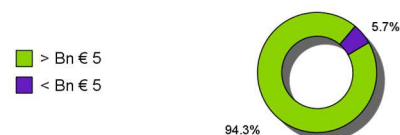
Month sales : -

Source : METROPOLE Gestion

(1) Summary Risk Indicator PRIIPs (SRI): Risk scale from 1 (lowest risk) at 7 (highest risk); Risk 1 does not mean a risk-free investment.

Average portfolio capitalisation : 40,000 M€

Breakdown by capitalisation



Equities

Cash

98.7 % (98.4 % m-1)

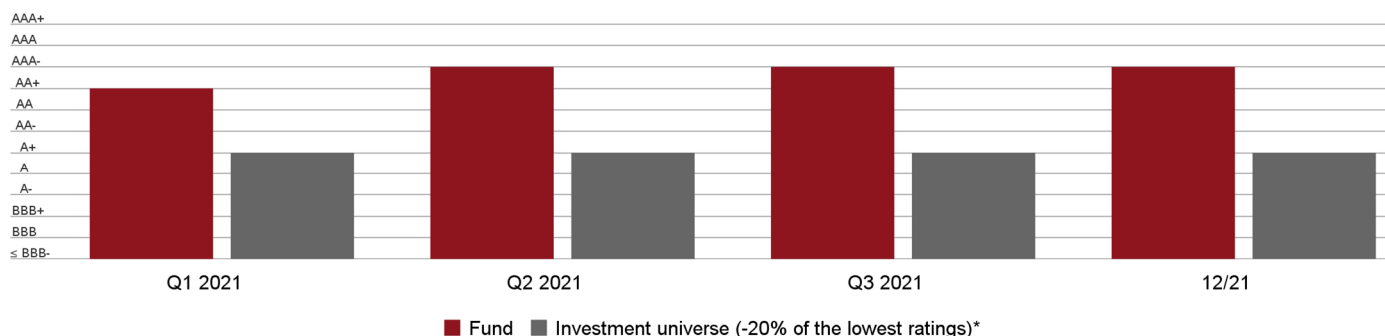
1.3 %

Carbon footprint (t eq. CO2/year/€m. of revenue)

Portfolio	277.49
Benchmark	168.19

ESG analysis

Overall ESG rating of the portfolio



*Investment universe: calculation as of 30/09/2021

Best-in-class / Best effort breakdown



Methodology and glossary

Our ESG analysis is based on a multi-sector **Best-in-Class/Best effort** approach that encourages companies to make improvements in the three key extra-financial ESG areas (Environment, Social, Governance).

The **Best-in-Class approach** involves selecting European companies above the average of their sector based on ESG criteria. The Best-in-Class rating scale ranges from AAA+ to CCC-.

The **Best effort approach** involves selecting European companies that have made efforts to develop their ESG performance. The Best effort rating scale ranges from 1 to 5 stars.

We select stocks:

- elimination of companies falling within the scope of our exclusion policy;
- demonstrating strong extra-financial conviction: companies rated above or equal to BBB- (Investment grade) may be selected with no Best effort condition; companies rated below or equal to BB+ may be selected subject to a minimum +++ Best effort rating; companies rated in the CCC bucket are ruled out;
- discounted against their industrial value;
- in sound financial health commensurate with their activity and the economic cycle.

METROPOLE Gestion excludes any companies directly or indirectly linked to the financing of controversial weapons, as provided for by international conventions. Are also excluded mining companies that generate more than 30% of their revenue through coal production, energy-producing companies more than 30% of whose production comes from coal, companies linked to tobacco production and companies linked to pornography.

Our Responsible Value management process aims to maintain a weighted average ESG rating for the portfolio must be higher than the reference universe's overall ESG rating after deduction of 20% of the lowest ratings.

The overall ESG rating of the portfolio is calculated as a weighted average.

Carbon footprint is calculated in tonnes of CO₂ equivalent annually and in millions of euros of revenues. The scope of calculation includes scope 1 and scope 2 emissions.

Scope 1 (direct emissions) covers greenhouse gas (GHG) emissions directly linked to the manufacture of a product. If, for example, manufacturing a product requires the use of oil or the burning of fuel, or results in CO₂ or methane emissions, all such emissions are included in scope 1.

Scope 2 (indirect emissions) covers GHG emissions arising from the energy consumption required to manufacture a product (such as the electricity used to power the plants where the product is designed).

Subscriptions / redemptions

Requests will be centralised with CACEIS Bank Luxembourg branch until 12 p.m. CET/CEST on a daily basis, and processed on the basis of the next net asset value which will be calculated based on the closing prices on the same day, in other words, at unknown price. All related settlements will be made two trading days following the NAV calculation / unit (D+2). **CACEIS Bank Luxembourg branch: Tel. 00 352 47 67 70 63 - Email: FDS-Investor-services@caceis.com.** Please ensure that your financial intermediary gives your company's name and your BIC/BIC1 code to CACEIS Bank.

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The risks, fees and ongoing charges are described in the KIID. The prospectus, KIIDs, NAV and annual reports are available at www.metropolegestion.com or upon request at METROPOLE Gestion.

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Specific mentions for Belgium:

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For additional information, please contact either the financial services provider (contact information provided above) or METROPOLE Gestion, at the following address: metropoleg@metropolegestion.fr.

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