

A SICAV under French law

METROPOLE FUNDS

Collective investment scheme (CIS) with 6 sub-funds

ANNUAL RAPPORT

at 31 December 2020

Management Company: METROPOLE Gestion
Custodian: Caceis Bank
Statutory Auditors: PriceWaterhouseCoopers Audit

METROPOLE Gestion -9 rue des Filles Saint-Thomas-75002-Paris

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This report presents the consolidated financial statements of METROPOLE FUNDS for the year ended December, 31, 2020, as well as the activity of the sub-funds.

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I. CERTIFICATION OF THE EXTERNAL AUDITOR



METROPOLE FUNDS

STATUTORY AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS For the year ended 31 December 2020

This is a free translation into English of the statutory auditors' report on the financial statements of the fund issued in French and it is provided solely for the convenience of English speaking users. The statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.



**STATUTORY AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS
For the year ended 31 December 2020**

METROPOLE FUNDS
OPCVM CONSTITUE SOUS FORME DE SOCIETE D'INVESTISSEMENT A CAPITAL
VARIABLE A COMPARTIMENTS
Governed by the French Monetary and Financial Code (*Code monétaire et financier*)

Management company
METROPOLE GESTION
9, rue des Filles Saint-Thomas
75002 PARIS

Opinion

In compliance with the assignment entrusted to us by the annual general meeting, we conducted an audit of the accompanying financial statements of METROPOLE FUNDS for the year ended 31 December 2020.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the fund at 31 December 2020 and of the results of its operations for the year then ended, in accordance with French accounting principles.

Basis of our opinion

Audit standards

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. Our responsibilities under these standards are described in the section "*Statutory Auditor's responsibilities for the audit of the financial statements*" in this report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*code de déontologie*) for statutory auditors, from 02/01/2020 and up to the date of this report.

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METROPOLE FUNDS

Justification of our assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for Collective Investment Funds (*Organismes de Placements Collectifs*), their investments and the assessment of the corresponding assets and liabilities. Those measures, such as travel restrictions and remote working, have also had an impact on the Collective Investment Funds' operational monitoring and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the following assessments that, in our professional judgement, were the most significant for the audit of the financial statements.

These assessments were made in the context of our audit of the financial statements, taken as a whole, and of the opinion we formed which is expressed above. We do not provide an opinion on individual items in the financial statements.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to shareholders

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report, and in the other documents with respect to the financial position and the financial statements provided to shareholders.

Information related to the corporate governance

We attest that the corporate governance section of the management report sets out the information required by Article L.225-37-4 of the French Commercial Code.

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METROPOLE FUNDS

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the fund's financial statements presenting a true and fair view in accordance with French accounting principles and to implement the internal control that it deems appropriate for the preparation of financial statements that do not contain material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the fund's ability to continue as a going concern, disclosing in the financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the fund or to cease operations.

These financial statements have been prepared by management.

Statutory auditor's responsibilities for the audit of the financial statements

Audit purpose and approach

It is our responsibility to prepare a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements, taken as a whole, are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As indicated in article L.823-10-1 of the French Commercial Code, our statutory audit of the financial statements is not to guarantee the viability or the quality of your management.

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METROPOLE FUNDS

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor uses professional judgement throughout the entire audit.

He also:

- identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- concludes on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the fund's ability to continue as a going concern. Such conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluates the overall presentation of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Neuilly sur Seine, date of e-signature

Document authenticated by e-signature
The Statutory Auditor
PricewaterhouseCoopers Audit
Frédéric SELLAM

2. ANNUAL ACCOUNTS STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/21/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	581,587,048.77	956,225,571.80
Equities and similar securities	516,826,584.44	862,826,183.07
Traded in a regulated market or equivalent	516,826,584.44	862,826,183.07
Not traded in a regulated market or equivalent		
Bonds and similar securities	26,868,861.97	34,622,205.80
Traded in a regulated market or equivalent	26,868,861.97	34,622,205.80
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	36,992,111.36	58,505,213.93
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	36,992,111.36	58,505,213.93
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges	899,491.00	271,969.00
Hedges in a regulated market or equivalent	899,491.00	271,969.00
Other operations		
Other financial instruments		
RECEIVABLES	1,082,303.90	2,793,866.03
Forward currency transactions	873,251.80	1,337,515.10
Others	209,052.10	1,456,350.93
FINANCIAL ACCOUNTS	7,622,285.79	5,776,722.79
Cash and cash equivalents	7,622,285.79	5,776,722.79
TOTAL ASSETS	590,291,638.46	964,796,160.62

LIABILITIES

	12/21/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	649,943,789.69	1,032,482,552.82
Allocation Report of distributed items (a)		
Brought forward (b)	0.20	5.30
Allocation Report of distributed items on Net Income (a,b)	-68,673,353.40	-90,069,052.46
Result (a,b)	5,604,084.02	18,898,736.80
TOTAL NET SHAREHOLDERS' FUNDS *	586,874,520.51	961,312,242.46
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	3,417,103.96	3,483,903.13
Forward currency transactions	876,773.78	1,354,474.51
Others	2,540,330.18	2,129,428.62
FINANCIAL ACCOUNTS	13.99	15.03
Short-term credit	13.99	15.03
Loans received		
TOTAL LIABILITIES	590,291,638.46	964,796,160.62

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/21/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
Options		
HEIDELBERGER ZEMENT 12/2021 CALL 68	392,787.52	
COVESTRO AG 09/2021 CALL 56	258,205.20	
ALLIANZ HOLDING 03/2020 CALL 230		202,675.20
ALLIANZ SE-VINK 12/2021 CALL 220	392,569.20	
BASF SE 03/2020 CALL 75		79,270.95
BASF SE 12/2021 CALL 68	507,922.56	
BMW 03/2020 CALL 76		238,290.12
BMW 12/2021 CALL 86	199,354.80	
BNP PARIBAS 03/2020 CALL 55		339,485.58
BNP PARIBAS 12/2021 CALL 50	264,664.70	
CARREFOUR 03/2020 CALL 17		94,065.40
CONTINENTAL AG O.N. 03/2020 CALL 140		45,988.74
CONTINENTAL AG O.N. 12/2021 CALL 140	296,335.00	
CAPGEMINI SE 03/2020 CALL 115		296,208.00
AXA 03/2020 CALL 26		274,050.54
AXA 09/2021 CALL 20	275,216.76	
BOUYGUES 03/2020 CALL 42		140,459.04
ORANGE 03/2020 CALL 15		23,970.24
SOCIETE GENERALE SA 12/2021 CALL 20	249,882.96	
INTESA SANPAOLO SPA 03/2020 CALL 2,6		216,590.41
INTESA SANPAOLO SPA 03/2020 CALL 2,4		243,868.24
INTESA SANPAOLO 12/2021 CALL 2.2	326,939.84	
MICHELIN - CAT.B 03/2020 CALL 120		170,305.10
ARCELORMITTAL 03/2020 CALL 18		177,536.70
ARCELORMITTAL 12/2021 CALL 24	560,358.40	
NOKIA (AB) OY 03/2020 CALL 3,8		217,931.52
PUBLICIS GROUPE SA 03/2020 CALL 42		388,465.00
PUBLICIS GROUPE SA 12/2021 CALL 45	310,591.20	
ROYA DUTC SHEL-A 03/2020 CALL 26		263,249.18
ROYA DUTC SHEL-A 03/2020 CALL 28		170,220.12
ROYA DUTC SHEL-A 12/2021 CALL 16	350,789.32	
SANOFI 03/2020 CALL 95		302,377.88
SAINT-GOBAIN 03/2020 CALL 40		174,616.00
SAINT-GOBAIN 06/2021 CALL 40	351,900.00	
SIEMENS AG-REG 03/2020 CALL 120		324,272.55
SIEMENS AG-REG 12/2021 CALL 125	76,076.12	

	12/21/20	12/31/19
TOTAL SE 12/2021 CALL 41	285,930.00	
UNIB-RODAMCO-WEST 03/2020 CALL 150		146,276.00
UNICREDIT SPA 03/2020 CALL 14,5		188,724.90
UNICREDIT SPA 12/2021 CALL 11	135,752.00	
VOLKSWAGEN-PREF 09/2021 CALL 180	237,775.20	
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/21/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts	47.80	122.68
Revenues from equities and similar securities	15,554,418.21	45,345,834.79
Revenues from bonds and similar securities	238,240.68	455,516.20
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	15,792,706.69	45,801,473.67
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	1,620.07	28,671.30
Other financial charges		
TOTAL (2)	1,620.07	28,671.30
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	15,791,086.62	45,772,802.37
Other income (3)		
Management fees and depreciation provisions (4)	9,662,634.93	18,600,697.31
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	6,128,451.69	27,172,105.06
Revenue adjustment (5)	-524,367.67	-8,273,368.26
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	5,604,084.02	18,898,736.80

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

The general accounting principles apply namely:

- true and fair view, comparability and going concern,
- consistency and accuracy,
- prudence,
- consistency of accounting methods from one accounting period to the next.

Income from fixed-income securities is recognized on a cash basis.

Acquisitions and disposals of securities are recognised excluding expenses.

The portfolio's accounting reference currency is the euro.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context crisis linked to Covid-19.

The METROPOLE FUNDS Mutual Fund is made up of 6 sub-funds:

- METROPOLE SELECTION
- METROPOLE AVENIR EUROPE
- METROPOLE FRONTIERE EUROPE
- METROPOLE Euro SRI
- METROPOLE CORPORATE BONDS
- METROPOLE CONVERTIBLES

The aggregation of the annual financial statements is presented in euros.

As there were no inter-sub-fund holdings, no adjustments were made to either the assets or liabilities.

-Accounting rules and methods (*)

-Additional Information (*)

(*) Please refer to the information concerning individual sub-fund.

METROPOLE SELECTION

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0007078811

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

4. CHANGES AFFECTING THE UCI

On the 10th of August 2020, the share classes METROPOLE SELECTION USD A and METROPOLE SELECTION USD W have been created but not activated.

On the 30th of November 2020, SRI certification of the METROPOLE SELECTION and METROPOLE AVENIR EUROPE compartments.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

5. MANAGEMENT REPORT

For 2020 as a whole, the European equity markets were marked by the emergence of a health crisis whose impact is unprecedented in modern economic history in terms of its scale and nature. This crisis reinforced the polarisation of valuations already evident on the equity markets. The situation was fuelled by a particularly uncertain environment and exacerbated risk aversion, a fall in interest rates into negative territory to unprecedented levels, and high demand for technology stocks which were perceived as the main beneficiaries of the crisis. These factors helped to fuel an outperformance of so-called growth stocks at the expense of value stocks which were given the cold shoulder, and which characterised the management strategy used for the METROPOLE Sélection sub-fund during most of the year.

Against this backdrop, the benchmark index of the METROPOLE Sélection sub-fund, the STOXX Europe Large 200 net dividends reinvested (LCXR), fell by 3.06%. The A share class of the sub-fund posted an annual performance of -8.19%, the P share class -8.62%, the D share class -8.19%, the W share class -7.63%, the B share class -8.36% and the USD Hedged share class -6.77%.

By sector, energy and financials made the biggest negative contributions to the fund's relative performance. By stock, oil companies BP and Royal Dutch Shell, Banco Santander, Société Générale and airline IAG made the biggest negative contributions. In contrast, ArcelorMittal, Valeo, Meggitt, Rio Tinto and Covestro made the biggest positive contributions.

Note that past performance is not a reliable indicator of future performance.

The sharp fall in the markets at the beginning of the year and the extreme polarisation of valuations opened up exceptional long-term investment opportunities. Among the main transactions carried out in 2020, therefore, we added several new stocks to the portfolio which were trading at a deep discount, which showed a sufficiently solid balance sheet to deal with a complete lack of activity for many months, and which ranked among the best in their industry for ESG criteria. These include Arcelor, Stora Enso, Sandvik, Smiths Group, Valeo, Volkswagen, Unicredit, Société Générale, Informa, Safran and Meggitt. Conversely, we sold off positions that had reached their valuation target or which had held up best during the bear market. Examples include Ahold Delhaize, Morrisons, Carrefour, Sanofi, GlaxoSmithKline, Telia and Vodafone.

The investment strategy was not changed. This is a "Value" style management strategy. It involves selecting stocks that are trading at a deep discount, that offer a positive catalyst and which meet so-called "socially responsible" criteria (1). The METROPOLE Sélection sub-fund systematically takes into account sustainable development criteria through our 360-degree company analysis approach, which covers financial analysis, balance sheet analysis and extra-financial analysis. ESG criteria as well as risks and opportunities related to the energy transition, including climate risks, are thus taken into account as part of our integrated management process in accordance with the regulatory provisions of Article 173-VI of the Energy Transition for Green Growth Act.

The sub-fund was granted the French SRI label in 2020.

The portfolio's carbon footprint, measured by intensity, amounted to 376.95 tonnes of CO₂ equivalent/€m of revenue at 31/12/2020, which compares with a carbon footprint of 185.36 tonnes of CO₂ equivalent/€m of revenue for the benchmark index.

The portfolio's ESG rating was AAA- at 31/12/2020, compared with A for its adjusted investment universe (1).

- (1) Note (1): The securities of companies whose ESG rating as measured by METROPOLE Gestion is BBB- or higher without Best Effort conditions, or between B- and BB+ with a minimum Best Effort rating of '+++' (on a scale from '+' to '+++++') are eligible for the METROPOLE Sélection sub-fund. The securities of CCC-rated companies are excluded. The sub-fund's weighted rating must remain higher than that of its reference universe, restated for the

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
GLAXOSMITHKLINE PLC	1,877,413.18	32,357,010.43
SANOFI	1,221,791.35	29,885,406.97
CAPGEMINI SE	4,234,721.21	24,480,727.64
RIO TINTO PLC	2,483,548.71	24,086,870.00
NOKIA (AB) OYJ	8,927,611.77	14,609,182.55
SOCIETE GENERALE SA	17,789,892.37	3,951,525.44
SVENSKA KULLAGERFABRIKEN AB -B-	3,471,848.12	17,487,127.11
UNICREDIT SPA	16,358,515.30	4,284,520.85
INTESA SANPAOLO	2,969,870.60	17,455,105.99
BASF SE	16,250,536.97	3,872,935.31

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

• Exposure obtained through the EPM techniques:

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

• Underlying exposure reached through financial derivative instruments: 873,251.80

- o Forward transaction: 873,251.80
- o Future:
- o Options:
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)
	CACEIS BANK, LUXEMBOURG BRANCH

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

6. REGULATORY INFORMATIONS

• **FINANCIAL INTERMEDIARY BEST SELECTION POLICY**

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

This report relates to METROPOLE Sélection, sub-fund of the METROPOLE Funds SICAV, a Value-based European Union equities fund incorporating ESG criteria, with net assets below €500 million.

This report should be read in conjunction with our Responsible Value management policy.

For further details: http://doc.metropolegestion.fr/pdf/Responsible_Value_management_policy.pdf

This report sets out how our corporate analysis impact the management of the fund and the sustainable development performance of our investments as at 31/12/2020.

It meets the requirements of Article 173-VI of the French Act n°2015-992 of 17 August 2015 on the Energy Transition for Green Growth.

The METROPOLE Selection sub-fund systematically incorporates sustainable development issues by means of our 360° corporate analysis model. The fund selects according to sustainable development criteria, which means that its investment universe is defined by further sustainable development filters in addition to the exclusions applied to all our funds. These exclusions include 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 whose more than 30% of its production comes from coal, companies linked to tobacco production and companies linked to pornography.

For further details: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

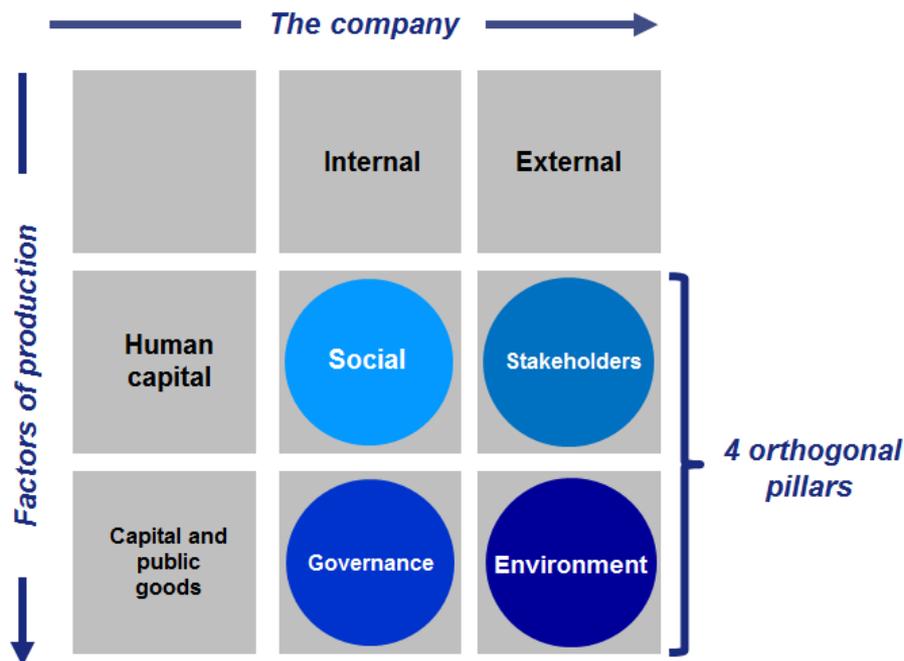
I- ESG analysis model

In 2009 METROPOLE Gestion decided to establish a base methodology independently of the main ESG rating agencies by entering into an academic collaboration with the Clermont Auvergne University in order to create a company rating system specific to METROPOLE Gestion.

The fundamental architecture of the rating system is structured around 4 orthogonal pillars.

The matrix consists of two axes producing the 4 pillars: External/Internal and Human Capital/Capital and public goods.

The 4 pillars are equally weighted. They are then broken down into sub-pillars analysed in extensive detail:



Environment: measurement of the company’s impact on the ecosystem.

- Impact of the production process on emissions;
- impact of the production process on resource consumption;
- impact of the products.

Labour relations: measurement of the company’s impact on its human resources.

- Fundamental rights;
- quality of working conditions (arduousness, health & safety in the workplace, etc.);
- employee development and job security (compensation, training, promotion, etc.).

Governance: measurement of the quality of relations between senior management, shareholders and the board of directors

- Shareholder protection, CSR approach;
- effectiveness of the board of directors;
- effectiveness of executive officers.

Stakeholders: measurement of the quality of relations with contractual and external stakeholders

- Customers;
- Suppliers;
- Government and public authorities;
- Civil society.

A total of 150 indicators are taken into consideration and allocated to the 4 analytical pillars.

Our methodology is designed to select the best European companies in their sector in terms of ESG criteria (Best-in-class approach), or which are striving to improve in these areas (Best effort approach).

Data measurement and aggregation

- We use the Eikon database from Refinitiv, one of the largest non-financial databases (5,000 companies worldwide) which maintains stable data over time and combines official data from the companies (annual reports and sustainable development reports) with data on controversies emanating from press agencies.
- Based on this data, 150 indicators have been constructed measuring each element of the system, emphasising results versus the resources employed (weighting 75% to 25%).
- Best-in-class rating:
The results obtained for each indicator lead to the company being classified within its sector followed by a standardisation process producing a score between 0% and 100%. The scores are then aggregated to produce a score for the 4 pillars of environment, labour relations, governance and stakeholders, which are equally weighted. The results obtained for each pillar are aggregated once again and standardised to obtain a global ratings between 0% and 100%.
The global ratings are distributed among multiple groups rated from AAA+ to CCC-.
- Best effort rating:
The issuer's global rating is supplemented by a Best effort rating. This is calculated using the variation of the global rating over the past 3 years with incremental coefficients (the latest year has a coefficient of 3). The companies are classified and broken down into 5 groups ranging from 1 to 5 stars (5 stars being the highest Best effort rating).
- Annual rating review :
The ratings are reviewed once each year when the companies' annual reports and sustainable development reports are published.

Quantitative ratings verified and supplemented by:

- Due consideration given to ongoing controversies:
 - All controversies relating to the securities held in the portfolio are collated and monitored on a weekly basis.
 - In addition to the quantitative rating, controversies of new companies being reviewed are analysed for the past 3 years.
 - In order to assess the significance of the controversy, a procedure has been implemented incorporating a specific analytical matrix.
 - The emergence of a controversy does not change the company's quantitative rating during the year in question. Depending on the significance of the controversy the weighting within the portfolio will be modified, potentially leading to exit.
- Analysis of specific sectoral risks.
- Dialogue with companies during the meetings held with the companies' CSR officers and senior management, at least once a year for portfolio companies, designed to conduct in-depth investigations into identified risks, to detect risks not identified during the rating process and to encourage the company to adapt its strategy.

The methodology is applied in the same manner regardless of the business sector, country or region. As the selected approach is a Best-in-class approach, the companies are compared with each other within a given sector and the pertinence or otherwise of an indicator applies to the entire sector.

2- Method of analysis of Energy and Ecological transition risks and changes associated with climate change.

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These form an integral part of the ESG rating system as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a "climate risk score" for each company, that takes into account physical risks and transition risks faced by companies as well as their alignment with the 2°C pledge of the Paris Climate Agreement. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO2 strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP.

This engagement is designed to improve the transparency of climate change information communicated by companies.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO2 emission reduction targets validated by the Science Based Targets initiative’s (SBTi).

We monitor each company’s and each portfolio’s carbon footprint, in particular by the carbon intensity (tons of CO2 equivalent per year and per million of turnover) measured by the CO2 emissions for 1 million euros of turnover generated by owned companies. The measurements come from data published by the companies or include measurements collected by the CDP; they include scope 1 and 2 emissions.

Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement’s concerning its framework of objectives and achievements of its climate policy.

3- Procedures for taking ESG and climate criteria into account in the investment process: a global and integrated management process, termed Responsible Value.

Our initial investment universe is composed of European companies with over 100 million euros of market capitalisation, with the exception of those subject to the exclusions specified in our policy (controversial weapons, coal production or consumption, tobacco and pornography). As such, the systematic exclusion of mining companies that generate more than 30% of their revenue through coal production and energy-producing companies with more than 30% of its production coming from coal is a strong incentive for European companies to embark on the path of the Energy and Ecological Transition. Our eligible universe therefore constitutes the starting point for portfolio construction.

Exclusion Policy: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

The universe is then reduced a second time based on our Best-in-Class and Best Effort ESG rating system by favouring companies with the highest ratings in their sector, or companies making the most significant efforts to adopt the best ESG practices while eliminating the companies with the lowest ratings, in addition to due consideration being given to past or current controversies which are assessed under a dedicated Prevention and Verification Policy. This approach limits potential ESG risks and also encourages the companies to implement accelerated transformation towards sustainable growth and to seize the opportunities presented during the transformation process.

The selection constraints applied to the ESG rating system are as follows:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

We obtain a reduced investment universe using ESG rating criteria.

Furthermore, a set of climate change indicators is taken into consideration by our proprietary ratings model. More than 20% of the indicators we monitor are related to climate change and are broken down into the 4 analytical pillars. They form an integral part of our ESG rating system.

Financial analysis and the selection of discounted securities vis-à-vis their industrial value constitutes the third filter that once again narrows the universe.

Lastly, the catalysts likely to reduce the valuation discount and ESG controversies represent the final filter applied to the selection of securities that may constitute the portfolio.

The investment universe established accordingly may evolve as time progresses in line with valuation movements in the markets and ESG transformation at company level. The fund management team adjusts the investment universe on a regular basis.

The portfolio is constructed by a collegial decision-making process by the team, weighting each security in accordance with its discount, the quality of the company's balance sheet and its ESG qualities. Lastly, the fund management team applies a strict disposal policy if the valuation objectives are reached, if the quality of the company deteriorates in terms of ESG or in the event of a major controversy.

The management process can be portrayed as follows:

3.1 A global and integrated management process: The Responsible Value investing process

Pre-selection

Reduction of the investment universe in line with 3 successive criteria:

- Elimination of companies falling within the scope of our exclusion policy;
- elimination of companies with the lowest ratings under the Best-in-Class/Best Effort ESG rating produced using our proprietary methodology or which have been the subject of a major controversy;
- selection of securities that are discounted vis-à-vis their industrial value by using for each business type the same valuation metrics as corporations do in their relevant sector as recorded in our proprietary database of past transactions.

Valuation

Calculation of industrial value, analysis of the balance sheet strength followed by meeting with management:

- A 360° analysis of the company taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis;
- meeting with management regarding these 3 aspects;
- choosing an appropriate valuation ratio for each type of business;
- evaluation of ESG risks and opportunities.

Identification of catalysts

Anticipation of changes in market status for the security selected, likely to reduce any undervaluation relative to their industrial value:

- Identifying financial or extra-financial catalysts, new controversies or changes in extra-financial ratings.

✓ Entry

Entry based on a collegial decision and weighting of each security according to its discount and catalysts:

- Portfolio with stocks discounted against their industrial value, with strong balance sheet and ESG qualities;
- concentrated portfolios with 30 to 40 stocks.

⊖ Exit

Strict sell discipline:

- When the valuation target is reached;
- when identified catalysts do not materialise;
- in the event of a sharp downgrade in extra-financial ratings;
- in the event of significant controversy.

Selectivity towards a sustainable investment:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

3.2 ESG performance indicators

We calculate various sustainable development performance indicators for our investments in the METROPOLE Selection sub-fund.

Our proprietary method enables us to calculate an ESG rating for 100% of our investments.

As of the 31/12/2020, the ratings of the METROPOLE Selection portfolio were as follows and are compared to those of its reference universe:

	ESG Rating	Environnement Rating	Labour Relations Rating	Governance Rating	Stakeholders Rating
METROPOLE Selection at 31/12/2020	AAA-	AAA-	AAA	AA	AA+
Reference universe at 31/12/2020 minus 20% of the lowest rated securities	A	A	AA-	BBB+	A-

These data are the outcome of the investment process, noting that METROPOLE Selection has a predetermined ESG rating target.

3.3 Performance indicators for Energy and Ecological Transition risks and Climate risk

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These criteria form an integral part of the quantitative rating of each company and are subjected to ESG analysis as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a “climate risk score” for each company, that takes into account the physical and transition risks faced by the companies. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

As of the 31/12/2020, the METROPOLE Selection sub-fund’s climate score was 85.7% compared to 84.4% for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Selection has no predetermined climate score target.

Our approach to climate risks is based on the work and recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) to which we are signatories and whose recommendations are incorporated into the UNPRI annual reporting with effect from 2020. As in previous years, this report will be published on our website in the second quarter of 2021.

Our approach to and calculations of climate risks are a work in progress, which we are constantly refining.

This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO2 strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement. The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP. This engagement is designed to improve the transparency of climate change information communicated by companies. The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO2 emission reduction targets validated by the Science Based Targets initiative’s (SBTi).

We measure the **carbon footprint of the METROPOLE Selection portfolio** by carbon intensity (tonnes of CO2 per million of turnover) as measured by the CO2 emissions per 1 million euros of turnover generated by the companies held. The provided measurements are based on data published by the companies, or otherwise rely on those collected by the CDP; they include scope 1 and scope 2 emissions.

As of the 31/12/2020, the carbon footprint of METROPOLE Selection was 377 tonnes CO2 equivalent per million euros in revenue compared to 185.4 for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Selection has no predetermined carbon footprint target. Nevertheless, the list of METROPOLE Gestion exclusions applied to the entire range of mutual funds excludes in particular mining companies that generate more than 30% of their revenue through coal production and energy-producing companies more than 30% of whose production comes from coal.

Lastly, we calculate 4 performance indicators annually for METROPOLE Selection, one of them being the portfolio’s CO2 emissions, in order to evaluate the impact of our investments over time.

These results can be found in our impact report, published annually and available on our website, for the METROPOLE Selection sub-fund. The 2020 report will be published on our website in the first quarter of 2021.

2020 Impact report: <http://www.metropolegestion.com/documents/show/720/eng>

4- Our engagement

In addition to the risks companies face in these areas, we believed it was essential to encourage them to improve by adopting a responsible and sustainable approach to growth. We therefore apply a Best-in-class and Best effort methodology, engage with the companies from the very outset, integrate these criteria in the exercise of our voting rights and maintain direct dialogue with them.

Since its founding, METROPOLE Gestion has always believed that exercising voting rights on behalf of our clients forms an integral part of establishing a dialogue with the companies, encouraging them to develop their ESG practices. Over the years we have also observed companies increasing propensity to give full consideration to shareholders' votes and to establish dialogue with their investors.

The analysis of resolutions and the implementation of votes are monitored by the METROPOLE Gestion fund management team with the support of the analytics firm ISS.

Voting Policy: http://doc.metropolegestion.fr/pdf/Voting_Policy.pdf

Our report on exercising voting rights for METROPOLE Selection sub-fund for the year 2020 will be available on our website in the 1st quarter of the year 2021.

METROPOLE Selection sub-fund's report on exercising voting rights:

http://doc.metropolegestion.fr/pdf/Report_on_exercising_voting_rights_MS_en.pdf

In addition to exercising voting rights, the fund management team of METROPOLE Selection has always maintained dialogue with the companies in which it invests on behalf of its clients, by meeting not only the companies' CSR managers but also their CEOs and CFOs in order to assess their commitment to the sustainable development of their company. Over and above the process of direct dialogue with the companies, more recently METROPOLE Gestion commenced an annual process of thematic dialogue covering specific topics that are addressed by each company that is met. In addition, through the auspices of the CDP (Carbon Disclosure Project), METROPOLE Gestion engages with companies within the framework of collective engagement designed to exert greater influence over their activities, notably in terms of their climate action. Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement. The results of this engagement will be detailed in our 2020 Engagement Report.

Engagement policy: http://doc.metropolegestion.fr/pdf/MG_Engagement_Policy.pdf

Our engagement report for the year 2020 will be available on our website in the 1st quarter of the year 2021.

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **EQUITY SAVINGS PLAN (PEA)**

Pursuant to the provisions of Article 91 quater L of the French General Tax Code, Appendix 2, at least 75% of the Fund is permanently invested in the securities and rights referred to in points a, b and c of 1° of I of Article L. 221-31 of the French Monetary and Financial Code.

Proportion of investments actually made during the year: 89.98%.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation.

The variable compensation is awarded at the discretion of Executive Management.

Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	917	6	923
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

- **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion

9, rue des Filles Saint Thomas,

75002 Paris

France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

7. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/21/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	415,949,355.41	730,442,820.74
Equities and similar securities	388,378,707.01	683,758,558.64
Traded in a regulated market or equivalent	388,378,707.01	683,758,558.64
Not traded in a regulated market or equivalent		
Bonds and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	27,570,648.40	46,684,262.10
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	27,570,648.40	46,684,262.10
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES	878,183.36	2,776,387.00
Forward currency transactions	873,251.80	1,337,515.10
Others	4,931.56	1,438,871.90
FINANCIAL ACCOUNTS	3,200,051.76	506,590.69
Cash and cash equivalents	3,200,051.76	506,590.69
TOTAL ASSETS	420,027,590.53	733,725,798.43

LIABILITIES

	12/21/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	469,764,323.12	789,176,341.80
Allocation Report of distributed items (a)		
Brought forward (a)	0.20	5.30
Allocation Report of distributed items on Net Income (a,b)	-57,120,703.13	-74,159,829.61
Result (a,b)	4,517,982.43	15,776,133.69
TOTAL NET SHAREHOLDERS' FUNDS *	417,161,602.62	730,792,651.18
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	2,865,973.92	2,933,132.22
Forward currency transactions	876,773.78	1,354,474.51
Others	1,989,200.14	1,578,657.71
FINANCIAL ACCOUNTS	13.99	15.03
Short-term credit	13.99	15.03
Loans received		
TOTAL LIABILITIES	420,027,590.53	733,725,798.43

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/21/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/21/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts		122.68
Revenues from equities and similar securities	13,086,731.39	36,938,108.22
Revenues from bonds and similar securities		
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	13,086,731.39	36,938,230.90
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	138.22	6,535.02
Other financial charges		
TOTAL (2)	138.22	6,535.02
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	13,086,593.17	36,931,695.88
Other income (3)		
Management fees and depreciation provisions (4)	7,526,874.87	14,172,890.08
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	5,559,718.30	22,758,805.80
Revenue adjustment (5)	-1,041,735.87	-6,982,672.11
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	4,517,982.43	15,776,133.69

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 1.80% including tax of net assets.
 - The management fee rate is 1.50% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.
- For unit B, the maximum rate applied is 2.00% including tax of net assets.
 - The management fee rate is 1.70 including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

- For unit P, the maximum rate applied is 2.30% including tax of net assets.
 - o The management fee rate is 2.00% including tax of net assets excluding OPC METROPOLE Gestion.
 - o The administrative management fee rate is 0.30% including tax of the net assets.

- For unit W, the maximum rate applied is 1.15% including tax of net assets.
 - o The management fee rate is 0.85% including tax of net assets excluding OPC METROPOLE Gestion.
 - o The administrative management fee rate is 0.30% including tax of the net assets.

- For unit D, the maximum rate applied is 1.80% including tax of net assets.
 - o The management fee rate is 1.50 including tax of net assets excluding OPC METROPOLE Gestion.
 - o The administrative management fee rate is 0.30% including tax of the net assets.

- For unit USDH, the maximum rate applied is 2.40% including tax of net assets.
 - o The management fee rate is 2.00% including tax of net assets excluding OPC METROPOLE Gestion.
 - o The administrative management fee rate is 0.40% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

Share	Allocation of the net income	Allocation of the net realized gains and losses
Share A	Accumulation	Accumulation
Share B	Accumulation	Accumulation
Share D	Distribution	Distribution
Share P	Accumulation	Accumulation
Share W	Accumulation	Accumulation
Share USD HEDGED	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/21/20	12/31/19
NET ASSETS IN START OF PERIOD	730,792,651.18	1,116,185,429.50
Subscriptions (including subscription fees received by the fund)	125,498,702.29	74,302,437.45
Redemptions (net of redemption fees received by the fund)	-355,234,475.29	-608,720,005.11
Capital gains realised on deposits and financial instruments	40,983,731.41	66,813,061.37
Capital losses realised on deposits and financial instruments	-97,586,959.96	-173,907,844.93
Capital gains realised on hedges	45,081.40	153,363.24
Capital losses realised on hedges	-152,623.40	-88,518.08
Dealing costs	-963,322.67	-1,474,062.31
Exchange gains/losses	-8,546,289.19	13,212,998.58
Changes in difference on estimation (deposits and financial instruments)	-23,233,347.23	221,567,214.36
<i>Difference on estimation, period N</i>	-23,508,465.10	-275,117.87
<i>Difference on estimation, period N-1</i>	275,117.87	221,842,332.23
Changes in difference on estimation (hedges)		
<i>Difference on estimation, period N</i>		
<i>Difference on estimation, period N-1</i>		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year	-1,264.22	-10,228.69
Net profit for the period, before adjustment prepayments	5,559,718.30	22,758,805.80
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	417,161,602.62	730,792,651.18

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities								
Credit instruments								
Temporary transactions in securities								
Financial accounts							3,200,051.76	0.77
LIABILITIES								
Temporary transactions in securities								
Financial accounts							13.99	
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Credit instruments										
Temporary transactions in securities										
Financial accounts	3,200,051.76	0.77								
LIABILITIES										
Temporary transactions in securities										
Financial accounts	13.99									
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1 GBP		Currency 2 SEK		Currency 3 CHF		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	67,950,830.68	16.29	14,557,212.67	3.49	11,573,691.17	2.77	0.05	
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables							828,718.43	0.20
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts							44,334.71	0.01
Financial accounts							13.99	
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
	Forward foreign exchange purchase	828,718.43
	Funds to be accepted on urgent sale of currencies	44,533.37
	Subscription receivable	4,931.56
TOTAL RECEIVABLES		878,183.36
PAYABLES		
	Urgent sale of currency	44,334.71
	Forward foreign exchange sale	832,439.07
	Redemptions to be paid	12,035.02
	Fixed management fees	1,977,112.81
	Variable management fees	52.31
TOTAL PAYABLES		2,865,973.92
TOTAL PAYABLES AND RECEIVABLES		-1,987,790.56

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Share A		
Shares subscribed during the period	228,555.85919	115,528,845.35
Shares redeemed during the period	-603,051.21634	-299,730,786.59
Net Subscriptions/Redemptions	-374,495.35715	-184,201,941.24
Shares in circulation at the end of the period	697,454.36371	
Share B		
Shares subscribed during the period		
Shares redeemed during the period	-1,371.63688	-1,424,848.67
Net Subscriptions/Redemptions	-1,371.63688	-1,424,848.67
Shares in circulation at the end of the period	1,772.92371	
Share D		
Shares subscribed during the period		
Shares redeemed during the period	-785.37323	-151,789.09
Net Subscriptions/Redemptions	-785.37323	-151,789.09
Shares in circulation at the end of the period	35.10888	
Share P		
Shares subscribed during the period	7,040.56136	1,412,018.46
Shares redeemed during the period	-37,710.84010	-7,853,444.83
Net Subscriptions/Redemptions	-30,670.27874	-6,441,426.37
Shares in circulation at the end of the period	48,296.53567	
Share W		
Shares subscribed during the period	39,722.11427	8,557,838.48
Shares redeemed during the period	-199,599.23966	-45,704,073.14
Net Subscriptions/Redemptions	-159,877.12539	-37,146,234.66
Shares in circulation at the end of the period	80,376.12730	
Share USD HEDGED		
Shares subscribed during the period		
Shares redeemed during the period	-405.15568	-369,532.97
Net Subscriptions/Redemptions	-405.15568	-369,532.97
Shares in circulation at the end of the period	905.14315	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Share A Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	
Share B Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	
Share D Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	
Share P Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	
Share W Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	
Share USD HEDGED Total of subscription and/or redemption fees received Subscription fees received Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Share A Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 6,874,645.86 1.71
Share B Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 46,474.96 1.90
Share D Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 1,043.72 1.71
Share P Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 304,570.59 2.18 52.31
Share W Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 281,793.56 1.10
Share USD HEDGED Underwriting commission Fixed management fees Percentage set for fixed management fees Variable management fees Trailer fees	 18,293.87 2.18

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTURE DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			27,570,648.40
	FR0007078829	METROPOLE AVENIR EUROPE A	5,909,792.00
	FR0010695874	METROPOLE CORPORATE BONDS A	2,183,576.00
	FR0010632364	METROPOLE Euro SRI A	16,881,918.00
	FR0007085808	METROPOLE FRONTIERE EUROPE A	2,595,362.40
Hedges			
Total group financial instruments			27,570,648.40

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/21/20	12/31/19
Sums not yet allocated		
Brought forward	0.20	5.30
Profit (loss)	4,517,982.43	15,776,133.69
Total	4,517,982.63	15,776,138.99

	12/21/20	12/31/19
Share A		
Allocation		
Distribution		
Brought forward		
Capitalized	4,105,811.70	13,639,917.79
Total	4,105,811.70	13,639,917.79

	12/21/20	12/31/19
Share B		
Allocation		
Distribution		
Brought forward		
Capitalized	18,781.75	76,892.75
Total	18,781.75	76,892.75

	12/21/20	12/31/19
Share D		
Allocation		
Distribution	84.96	3,921.90
Brought forward	0.26	2.06
Capitalized		
Total	85.22	3,923.96
Details of units with dividend entitlement		
Number of units	35.10888	820.48211
Distribution per share/unit	2.42	4.78
Tax credits		
Tax credit attached to the distribution of income	16.91	

	12/21/20	12/31/19
Share P		
Allocation		
Distribution		
Brought forward		
Capitalized	76,075.49	342,531.68
Total	76,075.49	342,531.68

	12/21/20	12/31/19
Share W		
Allocation		
Distribution		
Brought forward		
Capitalized	311,462.84	1,694,488.39
Total	311,462.84	1,694,488.39

	12/21/20	12/31/19
Share USD HEDGED		
Allocation		
Distribution		
Brought forward		
Capitalized	5,765.63	18,384.42
Total	5,765.63	18,384.42

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/21/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	-57,120,703.13	-74,159,829.61
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	-57,120,703.13	-74,159,829.61

	12/21/20	12/31/19
Share A		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-52,429,826.37	-65,204,547.17
Total	-52,429,826.37	-65,204,547.17

	12/21/20	12/31/19
Share B		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-283,152.62	-407,948.60
Total	-283,152.62	-407,948.60

	12/21/20	12/31/19
Share D		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-1,097.87	-21,363.10
Total	-1,097.87	-21,363.10

	12/21/20	12/31/19
Share P		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-1,577,858.05	-2,102,752.61
Total	-1,577,858.05	-2,102,752.61

	12/21/20	12/31/19
Share W		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-2,646,987.88	-6,361,808.95
Total	-2,646,987.88	-6,361,808.95

	12/21/20	12/31/19
Share USD HEDGED		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-181,780.34	-61,409.18
Total	-181,780.34	-61,409.18

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/21/19	12/31/20
Global Net Assets in EUR	1,853,891,560.29	1,634,382,308.23	1,116,185,429.50	730,792,651.18	417,161,602.62
METROPOLE SELECTION SHARE A EUR					
Net assets	1,546,936,189.39	1,248,795,518.56	822,858,279.05	641,725,583.76	383,338,136.39
Number of shares/units	2,624,677.92058	1,961,325.53746	1,580,829.23095	1,071,949.72086	697,454.36371
NAV per share/unit	589.38	636.70	520.52	598.65	549.62
Net Capital Gains and Losses Accumulated per share	-14.57	59.44	13.92	-60.82	-75.17
Net income Accumulated on the result	9.92	8.78	10.87	12.72	5.88
METROPOLE SELECTION SHARE B EUR					
Net assets		12,322,677.43	8,223,279.92	4,007,873.19	2,070,705.66
Number of shares/units		9,044.26789	7,404.18846	3,144.56059	1,772.92371
NAV per share/unit		1,362.48	1,110.62	1,274.54	1,167.96
Net Capital Gains and Losses Accumulated per share		241.05	29.79	-129.73	-159.70
Net income Accumulated on the result		15.11	19.41	24.45	10.59
METROPOLE SELECTION SHARE D EUR					
Net assets	19,127.15	591,098.54	597,308.76	207,078.53	7,917.61
Number of shares/units	74.37834	2,130.55991	2,669.88048	820.48211	35.10888
NAV per share/unit	257.16	277.43	223.72	252.38	225.51
Net Capital Gains and Losses Accumulated per share	-6.37	25.90	6.05	-26.03	-31.27
Distribution on Net Income on the result		3.49	4.28	4.78	2.42
Tax credits per share/unit				2.347	(*)
Net income Accumulated on the result	2.76				

(*) The unit tax credit will only be determined on the date of distribution, in accordance with the tax provisions in force.

	12/30/16	12/29/17	12/31/18	12/21/19	12/31/20
METROPOLE SELECTION SHARE P EUR					
Net assets	68,799,668.24	64,678,460.13	32,903,410.55	20,613,947.29	11,520,782.16
Number of shares/units	263,772.79910	230,666.41305	144,257.24491	78,966.81441	48,296.53567
NAV per share/unit	260.82	280.39	228.08	261.04	238.54
Net Capital Gains and Losses Accumulated per share	-6.46	26.25	6.10	-26.62	-32.67
Net income Accumulated on the result	3.26	2.53	3.40	4.33	1.57
METROPOLE SELECTION SHARE W EUR					
Net assets	238,136,575.51	307,994,553.57	249,527,769.67	62,911,051.19	19,441,563.98
Number of shares/units	940,897.53772	1,119,465.28447	1,102,570.86893	240,253.25269	80,376.12730
NAV per share/unit	253.09	275.12	226.31	261.85	241.88
Net Capital Gains and Losses Accumulated per share	-6.24	25.59	6.02	-26.47	-32.93
Net income Accumulated on the result	5.68	5.45	6.36	7.05	3.87
METROPOLE SELECTION SHARE USD HEDGED USD					
Net assets	3,070,103.10	3,320,759.09	2,376,311.87	1,490,883.48	960,201.85
Number of shares/units	2,874.72485	2,853.82224	2,449.97983	1,310.29883	905.14315
NAV per share/unit	1,067.96	1,163.61	969.93	1,137.81	1,060.82
Net Capital Gains and Losses Accumulated per share			195.48	-46.86	-200.83
Net income Accumulated on the result			8.65	14.03	6.36

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Equities and similar securities				
Listed equities and similar securities				
FINLAND				
NOKIA (AB) OYJ	EUR	2,611,864	8,229,983.46	1.97
STORA ENSO AB EX ENSO OYJ	EUR	712,268	11,143,432.86	2.67
TOTAL FINLAND			19,373,416.32	4.64
FRANCE				
ALSTOM	EUR	119,717	5,580,009.37	1.34
ATOS SE	EUR	76,277	5,703,994.06	1.37
AXA	EUR	614,956	11,999,021.47	2.87
BNP PARIBAS	EUR	467,084	20,133,655.82	4.83
CARREFOUR	EUR	642,632	9,016,126.96	2.16
PUBLICIS GROUPE SA	EUR	266,952	10,880,963.52	2.60
SAFRAN SA	EUR	74,902	8,684,886.90	2.09
SAINT-GOBAIN	EUR	301,851	11,319,412.50	2.72
SOCIETE GENERALE SA	EUR	485,802	8,269,321.64	1.98
TOTAL SE	EUR	366,239	12,928,236.70	3.10
VALEO SA	EUR	358,347	11,567,441.16	2.77
TOTAL FRANCE			116,083,070.10	27.83
GERMANY				
ALLIANZ SE-REG	EUR	66,297	13,305,807.90	3.19
BASF SE	EUR	210,682	13,635,339.04	3.27
BMW BAYERISCHE MOTOREN WERKE	EUR	151,434	10,938,077.82	2.62
CONTINENTAL AG O.N.	EUR	81,625	9,897,031.25	2.37
COVESTRO AG	EUR	185,375	9,357,730.00	2.24
HEIDELBERGER ZEMENT	EUR	226,882	13,889,716.04	3.33
VOLKSWAGEN AG-PREF	EUR	38,987	5,942,398.54	1.43
TOTAL GERMANY			76,966,100.59	18.45
ITALY				
ENEL SPA	EUR	1,500,040	12,414,331.04	2.98
INTESA SANPAOLO	EUR	7,983,523	15,269,286.09	3.66
UNICREDIT SPA	EUR	883,271	6,755,256.61	1.62
TOTAL ITALY			34,438,873.74	8.26
JERSEY				
WPP PLC	GBP	907,680	8,076,971.85	1.93
TOTAL JERSEY			8,076,971.85	1.93
LUXEMBOURG				
ARCELORMITTAL	EUR	820,124	15,483,941.12	3.72
TOTAL LUXEMBOURG			15,483,941.12	3.72
NETHERLANDS				
ROYAL DUTCH SHELL - A	EUR	738,644	10,794,543.42	2.59
ROYAL DUTCH SHELL RTS	USD	582,324	0.05	
SIGNIFY NV	EUR	174,220	6,015,816.60	1.44
TOTAL NETHERLANDS			16,810,360.07	4.03
SPAIN				
BANCO SANTANDER S.A.	EUR	5,965,804	15,141,210.55	3.63
INTL CONSOLIDATED AIRLINE-DI	GBP	2,921,229	5,192,400.63	1.24
TOTAL SPAIN			20,333,611.18	4.87

Name of security	Currency	Quantity	Market value	% Net Assets
SWEDEN				
AUTOLIV SWED.DEPOSIT.RECEIPTS	SEK	84,989	6,479,434.04	1.55
SANDVIK AB	SEK	402,657	8,077,778.63	1.94
TOTAL SWEDEN			14,557,212.67	3.49
SWITZERLAND				
CREDIT SUISSE GROUP	CHF	1,096,658	11,573,691.17	2.77
TOTAL SWITZERLAND			11,573,691.17	2.77
UNITED KINGDOM				
BP PLC	GBP	3,882,150	11,002,656.42	2.63
INFORMA PLC	GBP	1,334,185	8,147,309.49	1.96
MEGGITT	GBP	1,731,745	8,985,896.39	2.15
PEARSON ORD	GBP	1,748,713	13,234,534.16	3.18
SMITHS GROUP PLC	GBP	411,908	6,893,158.03	1.65
TRAVIS PERKINS	GBP	428,351	6,417,903.71	1.54
TOTAL UNITED KINGDOM			54,681,458.20	13.11
TOTAL Listed equities and similar securities			388,378,707.01	93.10
TOTAL Equities and similar securities			388,378,707.01	93.10
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
METROPOLE AVENIR EUROPE A	EUR	9,800	5,909,792.00	1.42
METROPOLE CORPORATE BONDS A	EUR	7,300	2,183,576.00	0.52
METROPOLE Euro SRI A	EUR	56,200	16,881,918.00	4.05
METROPOLE FRONTIERE EUROPE A	EUR	6,390	2,595,362.40	0.62
TOTAL FRANCE			27,570,648.40	6.61
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			27,570,648.40	6.61
TOTAL Collective investment undertakings			27,570,648.40	6.61
Receivables			878,183.36	0.21
Payables			-2,865,973.92	-0.69
Financial accounts			3,200,037.77	0.77
Net assets			417,161,602.62	100.00

Share D	EUR	35.10888	225.51
Share P	EUR	48,296.53567	238.54
Share B	EUR	1,772.92371	1,167.96
Share A	EUR	697,454.36371	549.62
Share W	EUR	80,376.12730	241.88
Share USD HEDGED	USD	905.14315	1,060.82

ADDITIONAL INFORMATION CONCERNING THE FISCAL REGIME OF THE COUPON

Breakdown of the coupon: Share D

	TOTAL NET INCOME	CURRENCY	UNIT NET INCOME	CURRENCY
Revenue qualifying for the withholding tax option				
Shares entitling a deduction	84.96	EUR	2.42	EUR
Other revenue not entitling a deduction or withholding tax				
Non-distributable and non-taxable income				
Amount distributed on capital gains and losses				
TOTAL	84.96	EUR	2.42	EUR

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

B (Accumulation) FR0011412592

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's B share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

P (Accumulation) FR0010988758

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's P share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

W (Accumulation) FR0011468602

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's W share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

D (Distribution) FR0010988766

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's D share class distributes its net income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

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METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

USD Hedged (Accumulation) FR0012068492

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

As the USD is the reference currency, this share class will use over-the-counter derivatives to provide systematic and total hedging (within the range of 95%–105%) of exposure to currency risk in relation to the euro. Use of these instruments is limited to a maximum commitment of the sub-fund's assets.

Specific risks and costs related to the hedging of this share class apply to this share class only.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's USD Hedged share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

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METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

USD A (Accumulation) FR0013529260

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The share class is denominated in USD and is not hedged against currency risk in relation to the euro.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's USD A share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE SELECTION, sub-fund of the METROPOLE FUNDS SICAV

USD W (Accumulation) FR0013529278

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

This may involve all market capitalisations. The sub-fund may, as opportunities arise, invest in stocks not listed on the STOXX Europe Large 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The share class is denominated in USD and is not hedged against currency risk in relation to the euro.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's USD W share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

METROPOLE AVENIR EUROPE

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE AVENIR EUROPE, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0007078829

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Small 200 index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to European Union, United Kingdom, Swiss and Norwegian companies with a market capitalisation of between €100 million and €4 billion in order to narrow down the investment universe, and then select undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

The sub-fund will be invested mainly in stocks with a market capitalisation of between €100 million and €4 billion, chiefly in European Union countries, the United Kingdom, Switzerland and Norway. The sub-fund may also, as opportunities arise, invest in stocks not listed on the STOXX Europe Small 200 index.

Investment in European Union and United Kingdom equities is at least 75% and exposure is at least 60%. Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

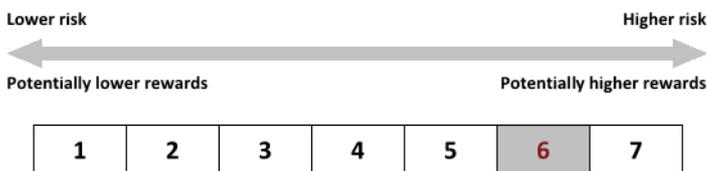
The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

Liquidity risk: When a significant portion of the investment is made in financial instruments that may have low liquidity under certain circumstances.

For further information on risks, please refer to the prospectus.

10. CHANGES AFFECTING THE UCI

On the 30th of November 2020, SRI certification of the METROPOLE SELECTION and METROPOLE AVENIR EUROPE compartments.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

II. MANAGEMENT REPORT

2020 was marked by the Covid-19 pandemic, which led to unprecedented lockdown measures and a sudden halt in economic activity worldwide. The health crisis that emerged at the beginning of the year in China spread to Europe and then the United States in the second quarter, triggering a sharp increase in risk aversion, a fall in sovereign bond yields and a severe fall in European equity markets in March. However, equally unprecedented intervention by central banks and governments enabled a rebound in the markets in the second quarter, which gathered momentum at the end of the year with the arrival of vaccines, paving the way for a normalisation of activity in 2021. After tough negotiations, the United Kingdom and the European Union signed a separation agreement at the very end of the year, managing to avoid the prospect of a hard Brexit. European small- and mid-cap equities globally outperformed large-cap equities and ended the year in positive territory. However, there were significant differences within this performance, with growth strategies significantly outperforming value strategies. The valuation differences between the two styles reached extreme levels. In sector terms, healthcare, technology and communications posted the strongest gains. Conversely, financials, energy (in a context of strong overcapacity in oil given the fall in demand) and real estate recorded the sharpest declines. METROPOLE Avenir Europe recorded a decline of 9.05% in 2020 versus an increase of 4.78% for the Stoxx Europe Small 200 index, net dividends reinvested.

Note that past performance is not a reliable indicator of future performance.

This underperformance can notably be attributed to the portfolio's overweighting of industrial stocks. Elixia and Autogrill, which were directly impacted by the health crisis, were among the biggest negative contributors, as were Aker Solutions and Subsea 7, which suffered from an unfavourable environment for investment in the oil sector. Conversely, Ingenico, which benefited from Worldline's offer, turned in the biggest positive contribution. Gerresheimer, Signify, Orion and Metso Outotec also made positive contributions.

The sharp fall in the markets observed at the beginning of the year as well as the extreme polarisation of valuations opened up exceptional long-term investment opportunities. Among the main transactions carried out in 2020, therefore, were the introduction of several new stocks in the portfolio which were trading at a significant discount and whose balance sheets were solid enough to handle a complete lack of activity for several months.

This included Smiths Group, EasyJet, Autoliv, Brembo, Trelleborg, CAF, Komercni Banka, BRD, Metso, Meggitt, Bodycote, SSAB, Applus, Landis & Gyr, Acerinox, Aperam, LISI, James Fisher, Greencore, Mersen and Verallia. In contrast, we sold our positions in Europcar, Aker Solutions, Weir Group, Subsea 7, Senior, Imerys, Tod's, Orion, Ingenico, Inwido, Sanoma, ISS, Hugo Boss, Orange Belgium, Vopak, Eutelsat, Gerresheimer and Convatec.

Following the spin-off of Metso, we sold our position in Neles and strengthened our position in Metso Outotec after the merger between the two companies.

We used a value strategy, which entailed selecting mainly small- and mid-cap European equities (between €100m and €4bn) which were trading at a significant discount and which benefited from a positive catalyst and met "socially responsible" criteria (1). The METROPOLE Avenir Europe sub-fund systematically takes into account sustainable development criteria through our 360-degree company analysis approach, which covers financial analysis, balance sheet analysis and extra-financial analysis. ESG criteria as well as risks and opportunities related to the energy transition, including climate risks, are thus taken into account as part of our integrated management process in accordance with the regulatory provisions of Article 173-VI of the Energy Transition for Green Growth Act.

The sub-fund was granted the French SRI label in 2020.

The portfolio's carbon footprint, measured by intensity, amounted to 273.52 tonnes of CO₂ equivalent/€m of revenue at 31/12/2020, which compares with a carbon footprint of 141.75 tonnes of CO₂ equivalent/€m of revenue for the benchmark index.

The portfolio's ESG rating was A+ at 31/12/2020, compared with BBB+ for its adjusted reference universe (1).

(1) Note (1): The securities of companies whose ESG rating as measured by METROPOLE Gestion is BBB- or higher without Best Effort conditions, or between B- and BB+ with a minimum Best Effort rating of '+++' (on a scale from '+' to '+++++') are eligible for the METROPOLE Avenir Europe sub-fund. The securities of CCC-rated companies are excluded. The sub-fund's weighted rating must remain higher than that of its reference universe adjusted for the worst 20% of ratings.

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
GERRESHEIMER AG		1,702,914.25
KONINKLIJKE VOPAK		1,590,231.42
ORION CORPORATION		1,194,197.47
SIGNIFY NV		1,103,552.91
CONVATEC GROUP PLC	35,292.70	1,054,430.76
INGENICO		1,083,242.86
AGGREKO PLC		1,075,773.91
SUBSEA 7	48,044.19	1,024,454.35
HUGO BOSS NOM.	108,305.10	954,384.96
TRAVIS PERKINS	143,957.55	822,791.57

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

• Exposure obtained through the EPM techniques:

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

• Underlying exposure reached through financial derivative instruments:

- o Forward transaction:
- o Future:
- o Options:
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

12. REGULATORY INFORMATIONS

• **FINANCIAL INTERMEDIARY BEST SELECTION POLICY**

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

This report relates to METROPOLE Avenir Europe, sub-fund of the METROPOLE Fund SICAV, a Value-based Eurozone equities fund incorporating ESG criteria, with net assets of under €500 million.

This report should be read in conjunction with our Responsible Value management policy.

For further details: http://doc.metropolegestion.fr/pdf/Responsible_Value_management_policy.pdf

This report sets out how our corporate analysis impact the management of the fund and the sustainable development performance of our investments as at 31/12/2020.

It meets the requirements of Article 173-VI of the French Act n°2015-992 of 17 August 2015 on the Energy Transition for Green Growth.

The METROPOLE Avenir Europe sub-fund systematically incorporates sustainable development issues by means of our 360° corporate analysis model. The fund selects according to sustainable development criteria, which means that its investment universe is defined by further sustainable development filters in addition to the exclusions applied to all our funds. These exclusions include 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 whose more than 30% of its production comes from coal, companies linked to tobacco production and companies linked to pornography.

For further details: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

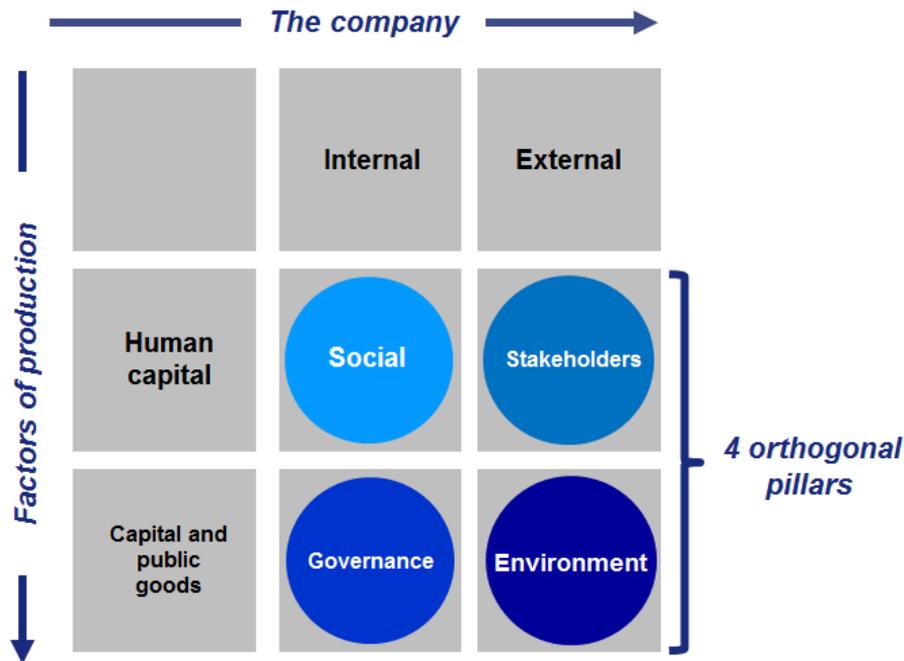
I ESG analysis model

In 2009 METROPOLE Gestion decided to establish a base methodology independently of the main ESG rating agencies by entering into an academic collaboration with the Clermont Auvergne University in order to create a company rating system specific to METROPOLE Gestion.

The fundamental architecture of the rating system is structured around 4 orthogonal pillars.

The matrix consists of two axes producing the 4 pillars: External/Internal and Human Capital/Capital and public goods.

The 4 pillars are equally weighted. They are then broken down into sub-pillars analysed in extensive detail:



Environment: measurement of the company’s impact on the ecosystem.

- Impact of the production process on emissions;
- impact of the production process on resource consumption;
- impact of the products.

Labour relations: measurement of the company’s impact on its human resources.

- Fundamental rights;
- quality of working conditions (arduousness, health & safety in the workplace, etc.);
- employee development and job security (compensation, training, promotion, etc.).

Governance: measurement of the quality of relations between senior management, shareholders and the board of directors

- Shareholder protection, CSR approach;
- effectiveness of the board of directors;
- effectiveness of executive officers.

Stakeholders: measurement of the quality of relations with contractual and external stakeholders

- Customers;
- Suppliers;
- Government and public authorities;
- Civil society.

A total of 150 indicators are taken into consideration and allocated to the 4 analytical pillars.

Our methodology is designed to select the best European companies in their sector in terms of ESG criteria (Best-in-class approach), or which are striving to improve in these areas (Best effort approach).

Data measurement and aggregation

- We use the Eikon database from Refinitiv, one of the largest non-financial databases (5,000 companies worldwide) which maintains stable data over time and combines official data from the companies (annual reports and sustainable development reports) with data on controversies emanating from press agencies.
- Based on this data, 150 indicators have been constructed measuring each element of the system, emphasising results versus the resources employed (weighting 75% to 25%).
- Best-in-class rating:
- The results obtained for each indicator lead to the company being classified within its sector followed by a standardisation process producing a score between 0% and 100%. The scores are then aggregated to produce a score for the 4 pillars of environment, labour relations, governance and stakeholders, which are equally weighted. The results obtained for each pillar are aggregated once again and standardised to obtain a global ratings between 0% and 100%.
- The global ratings are distributed among multiple groups rated from AAA+ to CCC-.
- Best effort rating:
The issuer's global rating is supplemented by a Best effort rating. This is calculated using the variation of the global rating over the past 3 years with incremental coefficients (the latest year has a coefficient of 3). The companies are classified and broken down into 5 groups ranging from 1 to 5 stars (5 stars being the highest Best effort rating).
- Annual rating review :
The ratings are reviewed once each year when the companies' annual reports and sustainable development reports are published.

Quantitative ratings verified and supplemented by:

- Due consideration given to ongoing controversies:
 - All controversies relating to the securities held in the portfolio are collated and monitored on a weekly basis.
 - In addition to the quantitative rating, controversies of new companies being reviewed are analysed for the past 3 years.
 - In order to assess the significance of the controversy, a procedure has been implemented incorporating a specific analytical matrix.
 - The emergence of a controversy does not change the company's quantitative rating during the year in question. Depending on the significance of the controversy the weighting within the portfolio will be modified, potentially leading to exit.
- Analysis of specific sectoral risks.
- Dialogue with companies during the meetings held with the companies' CSR officers and senior management, at least once a year for portfolio companies, designed to conduct in-depth investigations into identified risks, to detect risks not identified during the rating process and to encourage the company to adapt its strategy.

The methodology is applied in the same manner regardless of the business sector, country or region. As the selected approach is a Best-in-class approach, the companies are compared with each other within a given sector and the pertinence or otherwise of an indicator applies to the entire sector.

2. Method of analysis of Energy and Ecological transition risks and changes associated with climate change.

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These form an integral part of the ESG rating system as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a "climate risk score" that takes into account physical risks and transition risks faced by companies as well as their alignment with the 2°C pledge of the Paris Climate Agreement. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO2 strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP. This engagement is designed to improve the transparency of climate change information communicated by companies.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO2 emission reduction targets validated by the Science Based Targets initiative’s (SBTi).

We monitor each company’s and each portfolio’s carbon footprint, in particular by the carbon intensity (tons of CO2 equivalent per year and per million of turnover) measured by the CO2 emissions for 1 million euros of turnover generated by owned companies. The measurements come from data published by the companies or include measurements collected by the CDP; they include scope 1 and 2 emissions.

Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement’s concerning its framework of objectives and achievements of its climate policy.

3. Procedures for taking ESG and climate criteria into account in the investment process: a global and integrated management process, termed Responsible Value.

Our initial investment universe is composed of European companies with market capitalisation between 100 million euros and 4 billion euros of market capitalisation, with the exception of those subject to the exclusions specified in our policy (controversial weapons, coal production or consumption, tobacco and pornography). As such, the systematic exclusion of mining companies that generate more than 30% of their revenue through coal production and energy-producing companies with more than 30% of its production coming from coal is a strong incentive for European companies to embark on the path of the Energy and Ecological Transition. Our eligible universe therefore constitutes the starting point for portfolio construction.

Exclusion Policy: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

The universe is then reduced a second time based on our Best-in-Class and Best Effort ESG rating system by favouring companies with the highest ratings in their sector, or companies making the most significant efforts to adopt the best ESG practices while eliminating the companies with the lowest ratings, in addition to due consideration being given to past or current controversies which are assessed under a dedicated Prevention and Verification Policy. This approach limits potential ESG risks and also encourages the companies to implement accelerated transformation towards sustainable growth and to seize the opportunities presented during the transformation process.

The selection constraints applied to the ESG rating system are as follows:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

We obtain a reduced investment universe using ESG rating criteria.

Furthermore, a set of climate change indicators is taken into consideration by our proprietary ratings model. More than 20% of the indicators we monitor are related to climate change and are broken down into the 4 analytical pillars. They form an integral part of our ESG rating system.

Financial analysis and the selection of discounted securities vis-à-vis their industrial value constitutes the third filter that once again narrows the universe.

Lastly, the catalysts likely to reduce the valuation discount and ESG controversies represent the final filter applied to the selection of securities that may constitute the portfolio.

The investment universe is determined on this basis but may evolve day by day in accordance with changing market valuations and transformations as regards to ESG. The management team adjusts the investable universe on a regular basis.

The portfolio is constructed by a collegial decision-making process by the team, weighting each stock according to its discount, the quality of its balance sheet and its ESG qualities. The management team also adopts a strict sell discipline once valuation targets are reached or in the event of a downgrade in the company's ESG qualities or of a major controversy.

The management process can be portrayed as follows:

3.1 A global and integrated management process: The Responsible Value investing process

Pre-selection

Reduction of the investment universe in line with 3 successive criteria:

- Elimination of companies falling within the scope of our exclusion policy;
- elimination of companies with the lowest ratings under the Best-in-Class/Best Effort ESG rating produced using our proprietary methodology or which have been the subject of a major controversy;
- selection of securities that are discounted vis-à-vis their industrial value by using for each business type the same valuation metrics as corporations do in their relevant sector as recorded in our proprietary database of past transactions.

•

Valuation

Calculation of industrial value, analysis of the balance sheet strength followed by meeting with management:

- A 360° analysis of the company taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis;
- meeting with management regarding these 3 aspects;
- choosing an appropriate valuation ratio for each type of business;
- evaluation of ESG risks and opportunities.

Identification of catalysts

Anticipation of changes in market status for the security selected, likely to reduce any undervaluation relative to their industrial value:

- Identifying financial or extra-financial catalysts, new controversies or changes in extra-financial ratings.

✓ Entry

Entry based on a collegial decision and weighting of each security according to its discount and catalysts:

- Portfolio with stocks discounted against their industrial value, with strong balance sheet and ESG qualities;
- concentrated portfolios with 30 to 40 stocks.

⊖ Exit

Strict sell discipline:

- When the valuation target is reached;
- when identified catalysts do not materialise;
- in the event of a sharp downgrade in extra-financial ratings;
- in the event of significant controversy.

Selectivity towards a sustainable investment:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

3.2 ESG performance indicators

We calculate various sustainable development performance indicators for our investments in the METROPOLE Avenir Europe sub-fund.

Our proprietary method enables us to calculate an ESG rating for 100% of our investments.

As of the 31/12/2020, the ratings for the METROPOLE Avenir Europe portfolio were as follows, and are compared to those of its reference investment universe after removing 20% of the lowest-rated stocks:

	ESG Rating	Environnement Rating	Labour Relations Rating	Governance Rating	Stakeholders Rating
METROPOLE Avenir Europe as at 31/12/2020	A+	A+	AA	A-	A-
Reference universe as at 31/12/2020 minus 20% of the lowest ratings	BBB+	BBB+	A	BBB	BBB

These data are the outcome of the investment process, noting that METROPOLE Avenir Europe has a predetermined ESG rating target.

3.3 Performance indicators for Energy and Ecological Transition risks and Climate risk

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These criteria form an integral part of the quantitative rating of each company and are subjected to ESG analysis as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a "climate risk score" for each company, that takes into account the physical and transition risks faced by the companies. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

As of the 31/12/2020, the METROPOLE Avenir Europe sub-fund's Climate score was 63% compared to 62% for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Avenir Europe has no predetermined climate score target.

Our approach to climate risks is based on the work and recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) to which we are signatories and whose recommendations are incorporated into the UNPRI annual reporting with effect from 2020. As in previous years, this report will be published on our website in the second quarter of 2021.

Our approach to and calculations of climate risks are a work in progress, which we are constantly refining. This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO₂ strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement. The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP. This engagement is designed to improve the transparency of climate change information communicated by companies. The results of this engagement will be detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO₂ emission reduction targets validated by the Science Based Targets initiative's (SBTi).

We measure the **carbon footprint of the METROPOLE Avenir Europe portfolio** by carbon intensity (tonnes of CO₂ per million of turnover) as measured by the CO₂ emissions per 1 million euros of turnover generated by the companies held. The provided measurements are based on data published by the companies, or otherwise rely on those collected by the CDP; they include scope 1 and scope 2 emissions.

As of the 31/12/2020, the carbon footprint of METROPOLE Avenir Europe was 273.5 tonnes CO₂ equivalent per million euros in revenue, compared to 141.8 for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Avenir Europe has no predetermined carbon footprint target. Nevertheless, the list of METROPOLE Gestion exclusions applied to the entire range of mutual funds excludes in particular mining companies that generate more than 30% of their revenue through coal production and energy-producing companies more than 30% of whose production comes from coal.

Lastly, we calculate 4 performance indicators annually for METROPOLE Avenir Europe, one of them being the portfolio's CO₂ emissions, in order to evaluate the impact of our investments over time.

These results can be found in our impact report, published annually and available on our website, for the METROPOLE Avenir Europe sub-fund. The 2020 report will be published on our website in the first quarter of 2021. 2020 Impact report: <http://www.metropolegestion.com/documents/show/733/eng>

4. Our engagement

In addition to the risks companies face in these areas, we believed it was essential to encourage them to improve by adopting a responsible and sustainable approach to growth. We therefore apply a Best-in-class and Best effort methodology, engage with the companies from the very outset, integrate these criteria in the exercise of our voting rights and maintain direct dialogue with them.

Since its founding, METROPOLE Gestion has always believed that exercising voting rights on behalf of our clients forms an integral part of establishing a dialogue with the companies, encouraging them to develop their ESG practices. Over the years we have also observed companies increasing propensity to give full consideration to shareholders' votes and to establish dialogue with their investors.

The analysis of resolutions and the implementation of votes are monitored by the METROPOLE Gestion fund management team with the support of the analytics firm ISS.

Voting Policy: http://doc.metropolegestion.fr/pdf/Voting_Policy.pdf

Our report on exercising voting rights for the METROPOLE Avenir Europe sub-fund for the year 2020 will be available on our website in the 1st quarter of the year 2021.

METROPOLE Avenir Europe sub-fund's report on exercising voting rights:
http://doc.metropolegestion.fr/pdf/Report_on_exercising_voting_rights_MAE_en.pdf

In addition to exercising voting rights, the fund management team of METROPOLE Gestion has always maintained dialogue with the companies in which it invests on behalf of its clients, by meeting not only the companies' CSR managers but also their CEOs and CFOs in order to assess their commitment to the sustainable development of their company. Over and above the process of direct dialogue with the companies, more recently METROPOLE Gestion commenced an annual process of thematic dialogue covering specific topics that are addressed by each company that is met. In addition, through the auspices of the CDP (Carbon Disclosure Project), METROPOLE Gestion engages with companies within the framework of collective engagement designed to exert greater influence over their activities, notably in terms of their climate action. Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement. The results of this engagement will be detailed in our 2020 Engagement Report.

Engagement policy: http://docs.metropolegestion.fr/pdf/MG_Engagement_Policy.pdf

Our engagement report for the year 2020 will be available on our website in the 1st quarter of the year 2021.

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **EQUITY SAVINGS PLAN (PEA)**

Pursuant to the provisions of Article 91 quater L of the French General Tax Code, Appendix 2, at least 75% of the Fund is permanently invested in the securities and rights referred to in points a, b and c of 1° of I of Article L. 221-31 of the French Monetary and Financial Code.

Proportion of investments actually made during the year: 88.64%.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation. The variable compensation is awarded at the discretion of Executive Management. Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	52	0	52
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

- **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion
9, rue des Filles Saint Thomas,
75002 Paris

France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

13. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/31/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	23,376,984.02	49,953,884.53
Equities and similar securities	21,881,384.02	47,561,871.45
Traded in a regulated market or equivalent	21,881,384.02	47,561,871.45
Not traded in a regulated market or equivalent		
Bonds and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	1,495,600.00	2,392,013.08
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	1,495,600.00	2,392,013.08
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES		6,927.50
Forward currency transactions		
Others		6,927.50
FINANCIAL ACCOUNTS	374,316.18	638,245.64
Cash and cash equivalents	374,316.18	638,245.64
TOTAL ASSETS	23,751,300.20	50,599,057.67

LIABILITIES

	12/31/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	27,490,323.18	57,355,319.13
Allocation Report of distributed items (a)		
Brought forward (b)		
Allocation Report of distributed items on Net Income (a,b)	-4,008,809.44	-7,314,176.06
Result (a,b)	181,988.78	447,610.10
TOTAL NET SHAREHOLDERS' FUNDS *	23,663,502.52	50,488,753.17
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	87,797.68	110,304.50
Forward currency transactions		
Others	87,797.68	110,304.50
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	23,751,300.20	50,599,057.67

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/31/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/31/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts		
Revenues from equities and similar securities	559,484.60	2,488,926.16
Revenues from bonds and similar securities		
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	559,484.60	2,488,926.16
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	13.99	4,852.89
Other financial charges		
TOTAL (2)	13.99	4,852.89
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	559,470.61	2,484,073.27
Other income (3)		
Management fees and depreciation provisions (4)	385,276.48	1,359,782.57
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	174,194.13	1,124,290.70
Revenue adjustment (5)	7,794.65	-676,680.60
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	181,988.78	447,610.10

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 1.80% including tax of net assets.
 - The management fee rate is 1.50% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

<i>Share</i>	<i>Allocation of the net income</i>	<i>Allocation of the net realized gains and losses</i>
Share A	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/31/20	12/31/19
NET ASSETS IN START OF PERIOD	50,488,753.17	128,448,411.94
Subscriptions (including subscription fees received by the fund)	871,056.69	63,748.55
Redemptions (net of redemption fees received by the fund)	-24,120,039.79	-93,243,684.02
Capital gains realised on deposits and financial instruments	3,809,614.74	6,268,955.23
Capital losses realised on deposits and financial instruments	-7,873,689.88	-21,270,655.67
Capital gains realised on hedges		
Capital losses realised on hedges		
Dealing costs	-45,444.54	-136,997.43
Exchange gains/losses	-577,528.27	318,890.83
Changes in difference on estimation (deposits and financial instruments)	936,586.27	28,915,896.44
<i>Difference on estimation, period N</i>	875,796.02	-60,790.25
<i>Difference on estimation, period N-1</i>	60,790.25	28,976,686.69
Changes in difference on estimation (hedges)		
<i>Difference on estimation, period N</i>		
<i>Difference on estimation, period N-1</i>		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		-103.40
Net profit for the period, before adjustment prepayments	174,194.13	1,124,290.70
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	23,663,502.52	50,488,753.17

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities								
Credit instruments								
Temporary transactions in securities								
Financial accounts							374,316.18	1.58
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Credit instruments										
Temporary transactions in securities										
Financial accounts	374,316.18	1.58								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1 GBP		Currency 2 SEK		Currency 3 CZK		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	5,816,396.58	24.58	1,697,225.10	7.17	702,365.60	2.97	1,139,297.88	4.81
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
TOTAL RECEIVABLES		
PAYABLES		
	Fixed management fees	87,797.68
TOTAL PAYABLES		87,797.68
TOTAL PAYABLES AND RECEIVABLES		-87,797.68

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Share A		
Shares subscribed during the period	1,456.85234	871,056.69
Shares redeemed during the period	-38,574.30173	-24,120,039.79
Net Subscriptions/Redemptions	-37,117.44939	-23,248,983.10
Shares in circulation at the end of the period	39,468.17604	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Share A	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Share A	
Underwriting commission	
Fixed management fees	385,276.48
Percentage set for fixed management fees	1.70
Variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTURE DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			1,495,600.00
	FR0010695874	METROPOLE CORPORATE BONDS A	1,495,600.00
Hedges			
Total group financial instruments			1,495,600.00

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/31/20	12/31/19
Sums not yet allocated		
Brought forward		
Profit (loss)	181,988.78	447,610.10
Total	181,988.78	447,610.10

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Brought forward		
Capitalized	181,988.78	447,610.30
Total	181,988.78	447,610.30

	12/31/20	12/31/19
Share D		
Allocation		
Distribution		
Brought forward		
Capitalized		-0.20
Total		-0.20
Details of units with dividend entitlement		
Number of units		
Distribution per share/unit		
Tax credits		
Tax credit attached to the distribution of income		

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/31/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	-4,008,809.44	-7,314,176.06
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	-4,008,809.44	-7,314,176.06

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-4,008,809.44	-7,314,176.06
Total	-4,008,809.44	-7,314,176.06

	12/31/20	12/31/19
Share D		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized		
Total		
Details of units with dividend entitlement		
Number of units		
Distribution per unit		

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
Global Net Assets in EUR	215,351,796.71	213,635,763.93	128,448,411.94	50,488,753.17	23,663,502.52
METROPOLE AVENIR EUROPE EUR					
Net assets	269.87				
Number of shares/units	1.00000				
NAV per share/unit	269.87				
Net Capital Gains and Losses Accumulated per share	12.90				
Net income Accumulated on the result	0.21				
METROPOLE AVENIR EUROPE SHARE A EUR					
Net assets	215,346,615.94	213,628,166.94	107,416,620.34	50,488,753.17	23,663,502.52
Number of shares/units	333,984.00000	292,519.27097	193,819.15288	76,585.62543	39,468.17604
NAV per share/unit	644.78	730.30	554.21	659.24	599.55
Net Capital Gains and Losses Accumulated per share	29.90	68.39	22.91	-95.50	-101.57
Net income Accumulated on the result	6.21	3.23	5.45	5.84	4.61

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
METROPOLE AVENIR EUROPE SHARE D EUR					
Net assets	4,910.90	7,383.88	12,123.36		
Number of shares/units	18.00000	24.00000	52.00000		
NAV per share/unit	272.82	307.66	233.14		
Net Capital Gains and Losses Accumulated per share	12.71	28.84	9.64		
Distribution on Net Income on the result			1.88		
Tax credits per share/unit					
Net income Accumulated on the result	0.36	0.07			
METROPOLE AVENIR EUROPE SHARE W EUR					
Net assets		213.11	21,019,668.24		
Number of shares/units		1.00000	129,191.00000		
NAV per share/unit		213.11	162.70		
Net Capital Gains and Losses Accumulated per share		14.81	6.69		
Net income Accumulated on the result		3.32	2.82		

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Equities and similar securities				
Listed equities and similar securities				
AUSTRIA				
ANDRITZ AG	EUR	19,282	722,689.36	3.05
VIENNA INSURANCE GROUP	EUR	22,916	476,652.80	2.02
WIENERBERGER AG	EUR	27,682	721,946.56	3.05
TOTAL AUSTRIA			1,921,288.72	8.12
CZECH REPUBLIC				
KOMERCNI BANKA AS	CZK	28,054	702,365.60	2.97
TOTAL CZECH REPUBLIC			702,365.60	2.97
DENMARK				
FLSMIDTH & CO B	DKK	17,321	541,914.12	2.29
TOTAL DENMARK			541,914.12	2.29
FINLAND				
METSO OUTOTEC OYJ	EUR	61,391	501,871.43	2.12
TOTAL FINLAND			501,871.43	2.12
FRANCE				
ALTEN	EUR	2,577	238,759.05	1.00
ELIOR GROUP SCA	EUR	63,268	349,239.36	1.48
ELIS	EUR	54,676	745,233.88	3.15
GROUPE FNAC	EUR	9,568	504,233.60	2.13
IPSOS	EUR	23,643	652,546.80	2.76
LISI EX GFI INDUSTRIES SA	EUR	10,959	220,823.85	0.94
MERSEN	EUR	9,396	232,551.00	0.98
NEXANS SA	EUR	8,143	482,472.75	2.04
SOCIETE BIC	EUR	6,128	283,481.28	1.19
TFI - TELEVISION FRANCAISE I SA	EUR	60,179	396,579.61	1.67
VERALLIA-WHEN ISSUED	EUR	8,450	245,472.50	1.04
TOTAL FRANCE			4,351,393.68	18.38
GERMANY				
DUERR AG	EUR	13,603	454,340.20	1.93
KRONES AG	EUR	7,750	511,887.50	2.16
TOTAL GERMANY			966,227.70	4.09
IRELAND				
GREENCORE GROUP PLC	GBP	164,384	213,015.54	0.90
TOTAL IRELAND			213,015.54	0.90
ITALY				
AUTOGRILL	EUR	42,194	230,801.18	0.97
BREMBO SPA	EUR	45,065	486,702.00	2.05
BUZZI UNICEM ORD.	EUR	13,471	262,684.50	1.11
CREDITO EMILIANO SPA	EUR	144,669	637,990.29	2.70
TOTAL ITALY			1,618,177.97	6.83
LUXEMBOURG				
APERAM	EUR	10,640	363,249.60	1.54
TOTAL LUXEMBOURG			363,249.60	1.54
NETHERLANDS				
RHI MAGNESITA NV	EUR	14,900	593,616.00	2.51
SIGNIFY NV	EUR	25,006	863,457.18	3.65
TOTAL NETHERLANDS			1,457,073.18	6.16

Name of security	Currency	Quantity	Market value	% Net Assets
PORTUGAL				
REN-REDES ENERGETICAS NACIONAIS SGPS S.A.	EUR	95,200	225,148.00	0.95
TOTAL PORTUGAL			225,148.00	0.95
ROMANIA				
BRD GROUPE SOCIETE GENERALE	RON	98,867	301,781.65	1.28
TOTAL ROMANIA			301,781.65	1.28
SPAIN				
ACERINOX	EUR	40,235	363,482.99	1.54
APPLUS SERVICES SA	EUR	47,517	428,603.34	1.81
CONSTRUCCIONES Y AUXILIAR DE FERROCARRIL	EUR	8,397	329,582.25	1.39
TOTAL SPAIN			1,121,668.58	4.74
SWEDEN				
AUTOLIV SWED.DEPOSIT.RECEIPTS	SEK	8,000	609,908.02	2.59
DOMETIC GROUP AB	SEK	30,012	325,863.03	1.37
SSAB SVENSKT STAL S.A LIBRE	SEK	117,788	343,939.13	1.45
TRELLEBORG AB B	SEK	22,956	417,514.92	1.77
TOTAL SWEDEN			1,697,225.10	7.18
SWITZERLAND				
LANDIS+GYR GROUP AG	CHF	4,601	295,602.11	1.24
TOTAL SWITZERLAND			295,602.11	1.24
UNITED KINGDOM				
AGGREKO PLC	GBP	39,530	275,249.77	1.16
BODYCOTE	GBP	54,432	451,364.87	1.90
EASYJET	GBP	26,119	241,135.11	1.02
FISHER JAMES & SONS PLC	GBP	21,872	230,390.35	0.98
FORTERRA PLC	GBP	182,232	494,584.25	2.09
G4S SHS	GBP	99,458	280,774.17	1.19
HAYS PLC	GBP	392,295	623,985.68	2.64
IMI	GBP	64,282	832,992.56	3.52
MEGGITT	GBP	112,180	582,093.70	2.46
MORGAN ADVANCED MATERIALS PLC	GBP	189,131	654,257.82	2.77
SMITHS GROUP PLC	GBP	19,110	319,800.17	1.35
TRAVIS PERKINS	GBP	41,164	616,752.59	2.60
TOTAL UNITED KINGDOM			5,603,381.04	23.68
TOTAL Listed equities and similar securities			21,881,384.02	92.47
TOTAL Equities and similar securities			21,881,384.02	92.47
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
METROPOLE CORPORATE BONDS A	EUR	5,000	1,495,600.00	6.32
TOTAL FRANCE			1,495,600.00	6.32
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			1,495,600.00	6.32
TOTAL Collective investment undertakings			1,495,600.00	6.32
Payables			-87,797.68	-0.37
Financial accounts			374,316.18	1.58
Net assets			23,663,502.52	100.00

Share A	EUR	39,468.17604	599.55
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**METROPOLE FRONTIERE
EUROPE**

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE FRONTIERE EUROPE, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0007085808

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the STOXX Europe Large 200 index with net dividends reinvested, over a five-year period.

The sub-fund's strategy is to make a rigorous selection of undervalued securities. It essentially involves equities of all market capitalisations from countries of the European Union, which are selected according to the intrinsic quality of their issuers and their potential for regaining market value.

Investment in European Union equities is at least 75% and exposure is at least 60%. The main geographic zone of investment encompasses Central European countries that have joined the European Union since May 2004.

Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

Liquidity risk: When a significant portion of the investment is made in financial instruments that may have low liquidity under certain circumstances.

For further information on risks, please refer to the prospectus.

15. CHANGES AFFECTING THE UCI

None.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

16. MANAGEMENT REPORT

For 2020 as a whole, the European equity markets were marked by the emergence of a health crisis whose impact is unprecedented in modern economic history in terms of its scale and nature. The Covid-19 crisis sent a real wave of panic through the markets during the first half of the year. The support provided by the European Central Bank in the form of emergency liquidity, the agreement reached on a €750 billion European stimulus plan and, above all, the launch of vaccination campaigns towards the end of the year contributed to an improvement in the outlook for a future economic recovery and triggered a rebound in the markets, thus limiting the declines in European indices over the year. Meanwhile, the European Union and the United Kingdom succeeded in signing a last-minute agreement that governs their relations from 1 January 2021 and which avoided a “hard Brexit” scenario.

Central and Eastern European stock markets posted contrasting performances in local currency with dividends reinvested. The Hungarian BUX index fell by 8.8% while the Romanian BET index gained 5.0%. The main Eastern European currencies lost value against the euro during the year, with the Romanian leu down 1.5% and the Hungarian forint down 8.7%.

Against this backdrop, the METROPOLE Frontière Europe sub-fund posted an annual performance of -9.7% compared with -3.1% for its benchmark index, the STOXX Europe Large 200 net dividends reinvested (LCXR).

Note that past performance is not a reliable indicator of future performance.

The top contributors to the sub-fund's relative performance included pharmaceutical group KRKA, construction company Budimex, public service company Energetica, Erste Bank and cardboard packaging producer Mayr Melnhof Karton. In contrast, Bank Pekao, Société Générale and Unicredit, as well as insurer PZU and energy group MOL were the biggest negative contributors.

Among the main transactions carried out in 2020, we seized several opportunities to reduce stocks that had performed well during the market turmoil (KRKA, Gedeon Richter, Budimex, Deutsche Telekom, Orange Polska and Hellenic Telecommunications) in order to strengthen positions in stocks that had fallen sharply and which offered more attractive upside potential and catalysts (Komerčni Banca, PKO Bank and Unicredit). Similarly, during the second quarter of the year we added Erste Bank and HeidelbergCement which were trading at extremely low valuations. From a sector perspective, the weighting of financial stocks and materials was increased while the weighting of communications and healthcare was reduced.

The investment strategy was not changed. It involves selecting shares that are trading at a deep discount and which offer a positive catalyst, mainly in central European countries that have joined the European Union since 2004. This is a "Value" style management strategy.

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
KRKA		347,085.88
ERSTE GROUP BANK	336,674.82	
TELEKOMUNIKACJA POLSKA SA		271,214.63
DEUTSCHE TELEKOM AG		230,492.88
HELLENIC TELE (OTE)		206,568.39
BANCA TRANSILVANIA		189,949.82
BUDIMEX SA		174,135.85
RICHTER GEDEON		148,974.83
BRD GROUPE SOCIETE GENERALE		143,649.12
MAYR-MELNHOF KARTON		125,868.44

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

• Exposure obtained through the EPM techniques:

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

• Underlying exposure reached through financial derivative instruments:

- o Forward transaction:
- o Future:
- o Options:
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

17. REGULATORY INFORMATIONS

• FINANCIAL INTERMEDIARY BEST SELECTION POLICY

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **EQUITY SAVINGS PLAN (PEA)**

Pursuant to the provisions of Article 91 quater L of the French General Tax Code, Appendix 2, at least 75% of the Fund is permanently invested in the securities and rights referred to in points a, b and c of 1° of I of Article L. 221-31 of the French Monetary and Financial Code.

Proportion of investments actually made during the year: 93.89%.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation.

The variable compensation is awarded at the discretion of Executive Management.

Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	23	0	23
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

• **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion
 9, rue des Filles Saint Thomas,
 75002 Paris
 France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

18. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/31/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	10,400,484.14	12,742,154.45
Equities and similar securities	9,480,673.18	11,661,041.50
Traded in a regulated market or equivalent	9,480,673.18	11,661,041.50
Not traded in a regulated market or equivalent		
Bonds and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	919,810.96	1,081,112.95
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	919,810.96	1,081,112.95
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES	1,624.64	899.26
Forward currency transactions		
Others	1,624.64	899.26
FINANCIAL ACCOUNTS	28,724.84	22,643.03
Cash and cash equivalents	28,724.84	22,643.03
TOTAL ASSETS	10,430,833.62	12,765,696.74

LIABILITIES

	12/31/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	9,955,705.32	12,045,826.69
Allocation Report of distributed items (a)		
Brought forward (b)		
Allocation Report of distributed items on Net Income (a,b)	452,018.09	469,886.62
Result (a,b)	1,251.43	202,332.68
TOTAL NET SHAREHOLDERS' FUNDS *	10,408,974.84	12,718,045.99
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	21,858.78	47,650.75
Forward currency transactions		
Others	21,858.78	47,650.75
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	10,430,833.62	12,765,696.74

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/31/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/31/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts		
Revenues from equities and similar securities	214,590.05	551,975.39
Revenues from bonds and similar securities		
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	214,590.05	551,975.39
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	43.16	458.18
Other financial charges		
TOTAL (2)	43.16	458.18
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	214,546.89	551,517.21
Other income (3)		
Management fees and depreciation provisions (4)	212,933.46	302,612.35
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	1,613.43	248,904.86
Revenue adjustment (5)	-362.00	-46,572.18
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	1,251.43	202,332.68

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context. crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 2.30% including tax of net assets.
 - The management fee rate is 2.00% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

<i>Share</i>	<i>Allocation of the net income</i>	<i>Allocation of the net realized gains and losses</i>
Share A	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/31/20	12/31/19
NET ASSETS IN START OF PERIOD	12,718,045.99	22,132,318.36
Subscriptions (including subscription fees received by the fund)	700,298.01	619,300.29
Redemptions (net of redemption fees received by the fund)	-1,741,400.05	-12,444,514.80
Capital gains realised on deposits and financial instruments	650,812.37	2,041,557.97
Capital losses realised on deposits and financial instruments	-89,717.23	-1,137,480.20
Capital gains realised on hedges		
Capital losses realised on hedges		
Dealing costs	-5,450.72	-16,228.90
Exchange gains/losses	-366,492.51	-41,245.97
Changes in difference on estimation (deposits and financial instruments)	-1,458,734.45	1,315,434.38
<i>Difference on estimation, period N</i>	156,057.84	1,614,792.29
<i>Difference on estimation, period N-1</i>	-1,614,792.29	-299,357.91
Changes in difference on estimation (hedges)		
<i>Difference on estimation, period N</i>		
<i>Difference on estimation, period N-1</i>		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		
Net profit for the period, before adjustment prepayments	1,613.43	248,904.86
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	10,408,974.84	12,718,045.99

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities								
Credit instruments								
Temporary transactions in securities								
Financial accounts							28,724.84	0.28
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Credit instruments										
Temporary transactions in securities										
Financial accounts	28,724.84	0.28								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1 PLN		Currency 2 RON		Currency 3 HUF		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	2,007,870.58	19.29	1,341,848.91	12.89	1,170,122.40	11.24	1,179,813.97	11.33
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
	Subscription receivable	1,624.64
TOTAL RECEIVABLES		1,624.64
PAYABLES		
	Fixed management fees	21,858.78
TOTAL PAYABLES		21,858.78
TOTAL PAYABLES AND RECEIVABLES		-20,234.14

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Share A		
Shares subscribed during the period	1,959.61318	700,298.01
Shares redeemed during the period	-4,603.73603	-1,741,400.05
Net Subscriptions/Redemptions	-2,644.12285	-1,041,102.04
Shares in circulation at the end of the period	25,640.11083	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Share A	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Share A	
Underwriting commission	
Fixed management fees	212,933.46
Percentage set for fixed management fees	2.12
Variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTHER DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			919,810.96
	FR0010695874	METROPOLE CORPORATE BONDS A	529,442.40
	FR0010632364	METROPOLE Euro SRI A	390,368.56
Hedges			
Total group financial instruments			919,810.96

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/31/20	12/31/19
Sums not yet allocated		
Brought forward		
Profit (loss)	1,251.43	202,332.68
Total	1,251.43	202,332.68

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Brought forward		
Capitalized	1,251.43	202,332.68
Total	1,251.43	202,332.68

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/31/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	452,018.09	469,886.62
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	452,018.09	469,886.62

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	452,018.09	469,886.62
Total	452,018.09	469,886.62

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
Global Net Assets in EUR	30,433,025.20	31,620,288.87	22,132,318.36	12,718,045.99	10,408,974.84
METROPOLE FRONTIERE EUROPE SHARE A EUR					
Net assets	30,433,025.20	31,620,087.15	15,086,295.90	12,718,045.99	10,408,974.84
Number of shares/units	82,972.00000	74,751.79338	39,689.10386	28,284.23368	25,640.11083
NAV per share/unit	366.78	423.00	380.11	449.65	405.96
Net Capital Gains and Losses Accumulated per share	17.21	20.51	23.62	16.61	17.62
Net income Accumulated on the result	5.69	1.90	5.72	7.15	0.04
METROPOLE FRONTIERE EUROPE SHARE W EUR					
Net assets		201.72	7,046,022.46		
Number of shares/units		1.00000	38,568.00003		
NAV per share/unit		201.72	182.69		
Net Capital Gains and Losses Accumulated per share		-0.05	11.28		
Net income Accumulated on the result		-0.22	4.30		

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Equities and similar securities				
Listed equities and similar securities				
AUSTRIA				
ERSTE GROUP BANK	EUR	17,859	445,403.46	4.28
MAYR-MELNHOF KARTON	EUR	1,105	182,325.00	1.76
OMV AG	EUR	9,112	300,696.00	2.89
VIENNA INSURANCE GROUP	EUR	16,100	334,880.00	3.21
WIENERBERGER AG	EUR	16,118	420,357.44	4.04
TOTAL AUSTRIA			1,683,661.90	16.18
CZECH REPUBLIC				
KOMERCNI BANKA AS	CZK	22,617	566,243.77	5.44
MONETA MONEY BANK	CZK	132,544	343,456.75	3.30
TOTAL CZECH REPUBLIC			909,700.52	8.74
DENMARK				
CARLSBERG AS.B	DKK	2,061	270,113.45	2.59
TOTAL DENMARK			270,113.45	2.59
FRANCE				
SOCIETE GENERALE SA	EUR	12,700	216,179.40	2.07
TOTAL FRANCE			216,179.40	2.07
GERMANY				
DEUTSCHE TELEKOM AG	EUR	20,608	308,192.64	2.96
HEIDELBERGER ZEMENT	EUR	6,447	394,685.34	3.79
TOTAL GERMANY			702,877.98	6.75
GREECE				
HELLENIC TELE (OTE)	EUR	33,135	436,719.30	4.20
TOTAL GREECE			436,719.30	4.20
HUNGARY				
MAGYAR TELECOM	HUF	400,000	417,708.65	4.01
MOL HUNGARIAN OIL AND GAS PLC-A-	HUF	55,000	331,006.62	3.18
RICHTER GEDEON	HUF	20,611	421,407.13	4.05
TOTAL HUNGARY			1,170,122.40	11.24
ITALY				
BUZZI UNICEM ORD.	EUR	8,750	170,625.00	1.64
UNICREDIT SPA	EUR	33,328	254,892.54	2.45
TOTAL ITALY			425,517.54	4.09
POLAND				
BANK PEKAO SA	PLN	30,959	414,850.74	3.99
BUDIMEX SA	PLN	2,577	173,789.39	1.67
PKO BP	PLN	72,583	457,175.64	4.39
POLSKI KONCERN ORLEN	PLN	14,734	186,513.69	1.79
POWSZECHNY ZAKLAD UBEZPIECZEN	PLN	64,200	455,624.71	4.38
TELEKOMUNIKACJA POLSKA SA	PLN	221,354	319,916.41	3.07
TOTAL POLAND			2,007,870.58	19.29
ROMANIA				
BANCA TRANSILVANIA	RON	1,026,723	474,524.32	4.56
BRD GROUPE SOCIETE GENERALE	RON	174,814	533,602.29	5.12
SOCIETATEA ENERGETICA ELECTR	RON	129,455	333,722.30	3.21
TOTAL ROMANIA			1,341,848.91	12.89

Name of security	Currency	Quantity	Market value	% Net Assets
SLOVENIA				
KRKA	EUR	3,458	316,061.20	3.04
TOTAL SLOVENIA			316,061.20	3.04
TOTAL Listed equities and similar securities			9,480,673.18	91.08
TOTAL Equities and similar securities			9,480,673.18	91.08
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
METROPOLE CORPORATE BONDS A	EUR	1,770	529,442.40	5.09
METROPOLE Euro SRI A	EUR	1,299.53913	390,368.56	3.75
TOTAL FRANCE			919,810.96	8.84
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			919,810.96	8.84
TOTAL Collective investment undertakings			919,810.96	8.84
Receivables			1,624.64	0.01
Payables			-21,858.78	-0.21
Financial accounts			28,724.84	0.28
Net assets			10,408,974.84	100.00

Share A	EUR	25,640.11083	405.96
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METROPOLE EURO SRI

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE EURO SRI, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0010632364

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the EURO STOXX Large index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to eurozone companies with a market capitalisation of more than €5 billion in order to narrow down the investment universe, and then selecting undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

The sub-fund will be invested mainly in stocks with a market capitalisation of more than €5 billion. 10% of the assets may be invested in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway. The sub-fund may also, as opportunities arise, invest in stocks not listed on the EURO STOXX Large index.

Investment in eurozone equities denominated in euros is at least 75% and equity exposure for its part is at least 60%. The sub-fund may invest up to 10% of its assets in equities issued in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway.

Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

20. CHANGES AFFECTING THE UCI

None.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

21. MANAGEMENT REPORT

For 2020 as a whole, the equity markets in the Eurozone were marked by the emergence of a health crisis whose impact is unprecedented in modern economic history in terms of its scale and nature. This crisis, which sent a real wave of panic through the markets, reinforced market polarisation and greatly benefited so-called growth stocks, particularly during the first half of the year. However, this trend reversed in the last quarter following the announcement of vaccine discoveries by several pharmaceutical companies, which allowed investors to make projections on the prospects of an economic recovery and led to a sharp rebound of cyclical stocks. The year ended with the announcement of a last-minute agreement between the European Union and the United Kingdom on the latter's exit from the EU from 1 January 2021.

Against this backdrop, the benchmark index of the METROPOLE Euro SRI sub-fund, the EURO Stoxx Large net dividends reinvested (LCXT), fell by a slight 0.62% over the full year. The A share class in the sub-fund posted an annual performance of -5.15% and the W share class fell by -4.57%.

Note that past performance is not a reliable indicator of future performance.

The sharp market falls at the beginning of the year and the extreme polarisation of valuations opened up exceptional investment opportunities from a long-term perspective. Among the main transactions carried out in 2020, therefore, were the introduction of several stocks in the portfolio which were trading at a deep discount, whose balance sheets were solid enough to handle a complete lack of activity for several months, and who were among the best ESG-rated players in their industry.

Also of note in 2020, we sold our positions in CNH Industrial, Merck, Klépierre, Ahold Delhaize, Michelin, Eutelsat, Hugo Boss, Orange, CRH, Telefonica and Deutsche Telekom. Conversely, we added Covestro, Société Générale, ING Group, Daimler, Atos, Valeo, Amadeus, Safran, HeidelbergCement, Sodexo, Veolia, Stora Enso, Philips, Volkswagen and Alstom to the portfolio. We also strengthened our position in Siemens Energy, whose shares were initially distributed by Siemens, which we hold in the portfolio.

Over the year, the technology, utilities and consumer cyclicals sectors posted the strongest performances, while the energy, financial and healthcare sectors underperformed the most.

In terms of contribution to relative performance, the financial, energy and technology sectors detracted from the portfolio's performance, while the industrial, materials and healthcare sectors made positive contributions.

The top three contributors to the fund's relative performance were ArcelorMittal, Daimler and Valeo. In contrast, Banco Santander, Royal Dutch Shell and Unicredit were the three main negative contributors to the relative performance.

The investment strategy was not changed. It entailed selecting Eurozone equities trading at a deep discount, benefiting from a positive catalyst, and meeting so-called "socially responsible" criteria (1). This is a "Value" style management strategy. As such, METROPOLE Euro SRI incorporates ESG criteria and the risks associated with climate change into its management, in accordance with the regulatory provisions of Article 173 of the Energy Transition Act.

The sub-fund was granted the SRI label throughout the financial year and had this label renewed in November 2020.

The portfolio's carbon footprint, measured by intensity, amounted to 376.2 tonnes of CO₂ equivalent/€m of revenue at 31/12/2020, which compares with a carbon footprint of 235.4 tonnes of CO₂ equivalent/€m of revenue for the benchmark index.

The portfolio's ESG rating was AAA- at 31/12/2020, compared with AA for its adjusted investment universe (1).

(1) The securities of companies whose ESG rating as measured by METROPOLE Gestion is BBB- or higher without Best Effort conditions, or between B- and BB+ with a minimum Best Effort rating of '+++' (on a scale from '+' to '+++++') are eligible for the METROPOLE Euro SRI sub-fund. The securities of CCC-rated companies are excluded. The sub-fund's weighted rating must remain higher than that of its reference universe adjusted for the worst 20% of ratings.

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
SCHNEIDER ELECTRIC SA	730,984.99	3,969,662.87
ENEL SPA	1,757,110.45	2,606,309.96
ALLIANZ SE-REG	1,247,975.26	2,816,288.69
SIEMENS AG-REG	1,787,371.91	2,230,735.80
SOCIETE GENERALE SA	3,212,926.78	742,987.18
BUREAU VERITAS	1,070,471.08	2,648,198.32
BASF SE	1,956,332.85	1,619,124.92
BANCO SANTANDER S.A.	1,121,385.40	2,373,932.36
KONINKLIJKE AHOLD NV		3,400,423.25
CONTINENTAL AG O.N.	2,181,483.91	1,145,572.93

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

• Exposure obtained through the EPM techniques:

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

• Underlying exposure reached through financial derivative instruments:

- o Forward transaction:
- o Future:
- o Options:
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

22. REGULATORY INFORMATIONS

• **FINANCIAL INTERMEDIARY BEST SELECTION POLICY**

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

This report relates to METROPOLE Euro SRI, sub-fund of the METROPOLE Fund SICAV, a Value-based Eurozone equities fund incorporating ESG criteria, with net assets below €500 million.

This report should be read in conjunction with our Responsible Value management policy.

For further details: http://doc.metropolegestion.fr/pdf/Responsible_Value_management_policy.pdf

This report sets out how our corporate analysis impact the management of the fund and the sustainable development performance of our investments as at 31/12/2020.

It meets the requirements of Article 173-VI of the French Act n°2015-992 of 17 August 2015 on the Energy Transition for Green Growth.

The METROPOLE Euro SRI sub-fund systematically incorporates sustainable development issues by means of our 360° corporate analysis model. The fund selects according to sustainable development criteria, which means that its investment universe is defined by further sustainable development filters in addition to the exclusions applied to all our funds. These exclusions include 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 whose more than 30% of its production comes from coal, companies linked to tobacco production and companies linked to pornography.

For further details: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

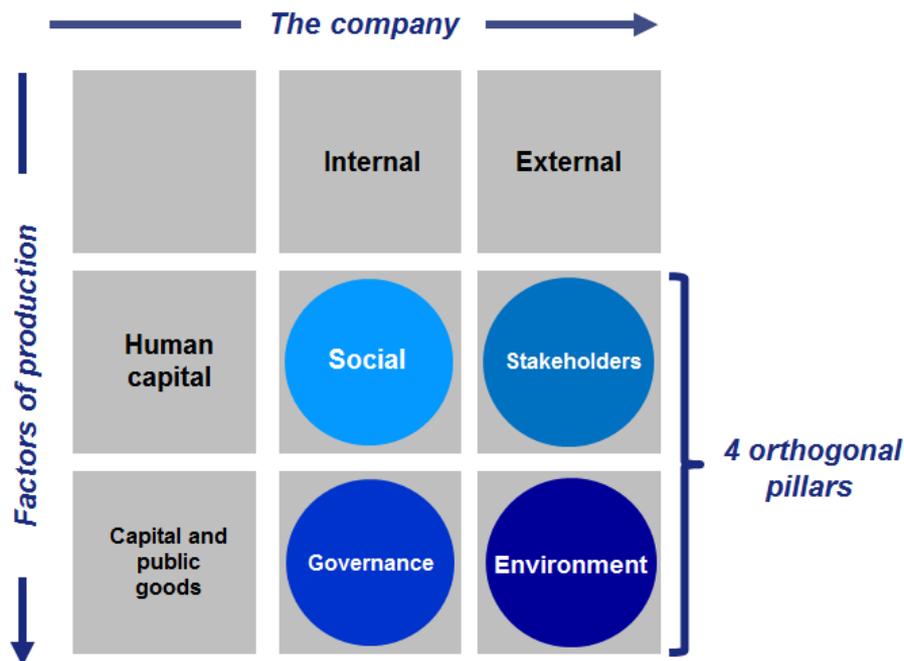
I. ESG analysis model

In 2009 METROPOLE Gestion decided to establish a base methodology independently of the main ESG rating agencies by entering into an academic collaboration with the Clermont Auvergne University in order to create a company rating system specific to METROPOLE Gestion.

The fundamental architecture of the rating system is structured around 4 orthogonal pillars.

The matrix consists of two axes producing the 4 pillars: External/Internal and Human Capital/Capital and public goods.

The 4 pillars are equally weighted. They are then broken down into sub-pillars analysed in extensive detail:



Environment: measurement of the company's impact on the ecosystem.

- Impact of the production process on emissions;
- impact of the production process on resource consumption;
- impact of the products.

Labour relations: measurement of the company's impact on its human resources.

- Fundamental rights;
- quality of working conditions (arduousness, health & safety in the workplace, etc.);
- employee development and job security (compensation, training, promotion, etc.);

Governance: measurement of the quality of relations between senior management, shareholders and the board of directors

- Shareholder protection, CSR approach;
- effectiveness of the board of directors;
- effectiveness of executive officers.

Stakeholders: measurement of the quality of relations with contractual and external stakeholders

- Customers;
- Suppliers;
- Government and public authorities;
- Civil society.

A total of 150 indicators are taken into consideration and allocated to the 4 analytical pillars.

Our methodology is designed to select the best European companies in their sector in terms of ESG criteria (Best-in-class approach), or which are striving to improve in these areas (Best effort approach).

Data measurement and aggregation

- We use the Eikon database from Refinitiv, one of the largest non-financial databases (5,000 companies worldwide) which maintains stable data over time and combines official data from the companies (annual reports and sustainable development reports) with data on controversies emanating from press agencies.
- Based on this data, 150 indicators have been constructed measuring each element of the system, emphasising results versus the resources employed (weighting 75% to 25%).
- Best-in-class rating:
The results obtained for each indicator lead to the company being classified within its sector followed by a standardisation process producing a score between 0% and 100%. The scores are then aggregated to produce a score for the 4 pillars of environment, labour relations, governance and stakeholders, which are equally weighted. The results obtained for each pillar are aggregated once again and standardised to obtain a global ratings between 0% and 100%.
The global ratings are distributed among multiple groups rated from AAA+ to CCC-.
- Best effort rating:
The issuer's global rating is supplemented by a Best effort rating. This is calculated using the variation of the global rating over the past 3 years with incremental coefficients (the latest year has a coefficient of 3). The companies are classified and broken down into 5 groups ranging from 1 to 5 stars (5 stars being the highest Best effort rating).
- Annual rating review:
The ratings are reviewed once each year when the companies' annual reports and sustainable development reports are published.

Quantitative ratings verified and supplemented by:

- Due consideration given to ongoing controversies:
 - All controversies relating to the securities held in the portfolio are collated and monitored on a weekly basis.
 - In addition to the quantitative rating, controversies of new companies being reviewed are analysed for the past 3 years.
 - In order to assess the significance of the controversy, a procedure has been implemented incorporating a specific analytical matrix.
 - The emergence of a controversy does not change the company's quantitative rating during the year in question. Depending on the significance of the controversy the weighting within the portfolio will be modified, potentially leading to exit.
- Analysis of specific sectoral risks.
- Dialogue with companies during the meetings held with the companies' CSR officers and senior management, at least once a year for portfolio companies, designed to conduct in-depth investigations into identified risks, to detect risks not identified during the rating process and to encourage the company to adapt its strategy.

The methodology is applied in the same manner regardless of the business sector, country or region. As the selected approach is a Best-in-class approach, the companies are compared with each other within a given sector and the pertinence or otherwise of an indicator applies to the entire sector.

2. Method of analysis of Energy and Ecological transition risks and changes associated with climate change.

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These form an integral part of the ESG rating system as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a "climate risk score" for each company, that takes into account physical risks and transition risks faced by companies as well as their alignment with the 2°C pledge of the Paris Climate Agreement. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO2 strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP. This engagement is designed to improve the transparency of climate change information communicated by companies.

The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO2 emission reduction targets validated by the Science Based Targets initiative’s (SBTi).

We monitor each company’s and each portfolio’s carbon footprint, in particular by the carbon intensity (tons of CO2 equivalent per year and per million of turnover) measured by the CO2 emissions for 1 million euros of turnover generated by owned companies. The measurements come from data published by the companies or include measurements collected by the CDP; they include scope 1 and 2 emissions.

Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement’s concerning its framework of objectives and achievements of its climate policy.

3. Procedures for taking ESG and climate criteria into account in the investment process: a global and integrated management process, termed Responsible Value.

Our initial investment universe is composed of European companies with over 100 million euros of market capitalisation, with the exception of those subject to the exclusions specified in our policy (controversial weapons, coal production or consumption, tobacco and pornography). As such, the systematic exclusion of mining companies that generate more than 30% of their revenue through coal production and energy-producing companies with more than 30% of its production coming from coal is a strong incentive for European companies to embark on the path of the Energy and Ecological Transition. Our eligible universe therefore constitutes the starting point for portfolio construction.

Exclusion Policy: http://doc.metropolegestion.fr/pdf/Sector_exclusion_policy.pdf

The universe is then reduced a second time based on our Best-in-Class and Best Effort ESG rating system by favouring companies with the highest ratings in their sector, or companies making the most significant efforts to adopt the best ESG practices while eliminating the companies with the lowest ratings, in addition to due consideration being given to past or current controversies which are assessed under a dedicated Prevention and Verification Policy. This approach limits potential ESG risks and also encourages the companies to implement accelerated transformation towards sustainable growth and to seize the opportunities presented during the transformation process.

The selection constraints applied to the ESG rating system are as follows:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

We obtain a reduced investment universe using ESG rating criteria.

Furthermore, a set of climate change indicators is taken into consideration by our proprietary ratings model. More than 20% of the indicators we monitor are related to climate change and are broken down into the 4 analytical pillars. They form an integral part of our ESG rating system.

Financial analysis and the selection of discounted securities vis-à-vis their industrial value constitutes the third filter that once again narrows the universe.

Lastly, the catalysts likely to reduce the valuation discount and ESG controversies represent the final filter applied to the selection of securities that may constitute the portfolio.

The investment universe established accordingly may evolve as time progresses in line with valuation movements in the markets and ESG transformation at company level. The fund management team adjusts the investment universe on a regular basis.

The portfolio is constructed by a collegial decision-making process by the team, weighting each security in accordance with its discount, the quality of the company's balance sheet and its ESG qualities. Lastly, the fund management team applies a strict disposal policy if the valuation objectives are reached, if the quality of the company deteriorates in terms of ESG or in the event of a major controversy.

The management process can be portrayed as follows:

3.1 A global and integrated management process: The Responsible Value investing process

Pre-selection

Reduction of the investment universe in line with 3 successive criteria:

- Elimination of companies falling within the scope of our exclusion policy;
- elimination of companies with the lowest ratings under the Best-in-Class/Best Effort ESG rating produced using our proprietary methodology or which have been the subject of a major controversy;
- selection of securities that are discounted vis-à-vis their industrial value by using for each business type the same valuation metrics as corporations do in their relevant sector as recorded in our proprietary database of past transactions.

Valuation

Calculation of industrial value, analysis of the balance sheet strength followed by meeting with management.

- A 360° analysis of the company taking into account three aspects: extra-financial analysis, financial analysis, balance sheet analysis;
- meeting with management regarding these 3 aspects;
- choosing an appropriate valuation ratio for each type of business;
- evaluation of ESG risks and opportunities.

Identification of catalysts

Anticipation of changes in market status for the security selected, likely to reduce any undervaluation relative to their industrial value.

- Identifying financial or extra-financial catalysts, new controversies or changes in extra-financial ratings.

✓ Entry

Entry based on a collegial decision and weighting of each security according to its discount and catalysts.

- Portfolio with stocks discounted against their industrial value, with strong balance sheet and ESG qualities;
- concentrated portfolios with 30 to 40 stocks.

⊖ Exit

Strict sell discipline:

- When the valuation target is reached;
- when identified catalysts do not materialise;
- in the event of a sharp downgrade in extra-financial ratings;
- in the event of significant controversy.

Selectivity in favour of sustainable investment:

- 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;
- the portfolio's overall ESG rating must be higher than the reference universe's overall ESG rating, minus 20% of the lowest rated securities.

3.2 ESG performance indicators

We calculate various sustainable development performance indicators for our investments in the METROPOLE Euro SRI sub-fund.

Our proprietary method enables us to calculate an ESG rating for 100% of our investments.

As of the 31/12/2020, the ratings for the METROPOLE Euro SRI portfolio were as follows, and are compared to those of its reference investment universe after removing 20% of the lowest-rated stocks:

	ESG Rating	Environnement Rating	Labour Relations Rating	Governance Rating	Stakeholders Rating
METROPOLE Euro SRI 31/12/2020	AAA-	AAA-	AAA	AA-	AA+
Reference universe as at 31/12/2020 minus 20% of the lowest ratings	AA	AAA-	AAA-	A-	AA

These data are the outcome of the investment process, noting that METROPOLE Euro SRI has a predetermined ESG rating target.

3.3 Performance indicators for Energy and Ecological Transition risks and Climate risk

Our climate risk assessment is based on a quantitative and qualitative approach.

A set of climate change indicators is integrated within our in-house model, the principles of which are set in the preceding section. 35 indicators out of 150, i.e. over 20% of the indicators we monitor are climate change criteria and are distributed among the 4 analytical pillars. These criteria form an integral part of the quantitative rating of each company and are subjected to ESG analysis as described above.

In addition, we have a rating dedicated to climate risk management that enables us to rank companies on their performances accordingly. As such, we calculate a “climate risk score” for each company, that takes into account the physical and transition risks faced by the companies. This score has 22 sub-indicators grouped into percentiles that are then equally weighted.

As of the 31/12/2020, the METROPOLE Euro SRI sub-fund’s Climate score was 87.3% compared to 84.7% for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Euro SRI has no predetermined climate score target.

Our approach to climate risks is based on the work and recommendations of the Taskforce on Climate-related Financial Disclosure (TCFD) to which we are signatories and whose recommendations are incorporated into the UNPRI annual reporting with effect from 2020. As in previous years, this report will be published on our website in the second quarter of 2021.

Our approach to and calculations of climate risks are a work in progress, which we are constantly refining. This quantitative approach is completed by a qualitative approach for each company during interviews conducted directly with them.

They are broken down into the following themes:

- Physical risks induced by climate change;
- risks induced by transition to a low-carbon economy;
- benefits of favouring a low-carbon economy;
- compatibility with the 2°C pledge;
- consequences of climate change and of extreme weather events;
- changing availability of resources “climatically” compatible with the objectives;
- consistency of investment expenditure with the low-carbon strategy;
- measurement of greenhouse gas emissions.

In addition to incorporating criteria within the ESG ratings, METROPOLE Gestion has adopted a policy of themed engagement covering climate change. During dialogue with issuers, we question all companies held in the portfolio about their CO2 strategy and assess the extent to which they comply with the 2°C pledge established during the Paris Climate Agreement. The results of this engagement are detailed in our 2020 Engagement Report.

Furthermore, as a signatory of the Carbon Disclosure Project, METROPOLE Gestion has adopted the Non-Disclosure Campaign, a collective engagement campaign targeting companies not responding to information requests from the CDP. This engagement is designed to improve the transparency of climate change information communicated by companies. The results of this engagement will be detailed in our 2020 Engagement Report.

Furthermore, in 2020 METROPOLE joined the CDP SBT Campaign, an initiative requesting companies to adopt CO2 emission reduction targets validated by the Science Based Targets initiative’s (SBTi).

We measure the **carbon footprint of the METROPOLE Euro SRI portfolio** by carbon intensity (tonnes of CO2 per million of turnover) as measured by the CO2 emissions per 1 million euros of turnover generated by the companies held. The provided measurements are based on data published by the companies, or otherwise rely on those collected by the CDP; they include scope 1 and scope 2 emissions.

As of the 31/12/2020, the carbon footprint of METROPOLE Euro SRI was 376.2 tonnes CO2 equivalent per million euros in revenue, compared to 235.4 for its benchmark.

These data are the outcome of the investment process, noting that METROPOLE Euro SRI has no predetermined carbon footprint target. Nevertheless, the list of METROPOLE Gestion exclusions applied to the entire range of mutual funds excludes in particular mining companies that generate more than 30% of their revenue through coal production and energy-producing companies more than 30% of whose production comes from coal.

Lastly, we calculate 4 performance indicators annually for METROPOLE Euro SRI, one of them being the portfolio’s CO2 emissions, in order to evaluate the impact of our investments over time.

These results can be found in our impact report, published annually and available on our website, for the METROPOLE Euro SRI sub-fund. The 2020 report will be published on our website in the first quarter of 2021.

2020 Impact report: <http://www.metropolegestion.com/documents/show/695/eng>

4. Our engagement

In addition to the risks companies face in these areas, we believed it was essential to encourage them to improve by adopting a responsible and sustainable approach to growth. We therefore apply a Best-in-class and Best effort methodology, engage with the companies from the very outset, integrate these criteria in the exercise of our voting rights and maintain direct dialogue with them.

Since its founding, METROPOLE Gestion has always believed that exercising voting rights on behalf of our clients forms an integral part of establishing a dialogue with the companies, encouraging them to develop their ESG practices. Over the years we have also observed companies increasing propensity to give full consideration to shareholders' votes and to establish dialogue with their investors.

The analysis of resolutions and the implementation of votes are monitored by the METROPOLE Gestion fund management team with the support of the analytics firm ISS.

Voting Policy: http://doc.metropolegestion.fr/pdf/Voting_Policy.pdf

Our report on exercising voting rights for the METROPOLE Euro SRI sub-fund for the year 2020 will be available on our website in the 1st quarter of the year 2021.

METROPOLE Euro SRI sub-fund's report on exercising voting rights:
http://doc.metropolegestion.fr/pdf/Report_on_exercising_voting_rights_MESRI_en.pdf

In addition to exercising voting rights, the fund management team of METROPOLE Euro SRI has always maintained dialogue with the companies in which it invests on behalf of its clients, by meeting not only the companies' CSR managers but also their CEOs and CFOs in order to assess their commitment to the sustainable development of their company. Over and above the process of direct dialogue with the companies, more recently METROPOLE Gestion commenced an annual process of thematic dialogue covering specific topics that are addressed by each company that is met. Lastly, through the auspices of the CDP (Carbon Disclosure Project), METROPOLE Gestion engages with companies within the framework of collective engagement designed to exert greater influence over their activities, notably in terms of their climate action. Lastly, through the Climate Action 100+, METROPOLE Gestion has joined forces with a group of investors to apply a more specific monitoring of the company HeidelbergCement. The results of this engagement will be detailed in our 2020 Engagement Report.

Engagement policy: http://docs.metropolegestion.fr/pdf/MG_Engagement_Policy.pdf

Our engagement report for the year 2020 will be available on our website in the 1st quarter of the year 2021.

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **EQUITY SAVINGS PLAN (PEA)**

Pursuant to the provisions of Article 91 quater L of the French General Tax Code, Appendix 2, at least 75% of the Fund is permanently invested in the securities and rights referred to in points a, b and c of 1° of I of Article L. 221-31 of the French Monetary and Financial Code.

Proportion of investments actually made during the year: 94.48%.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation.

The variable compensation is awarded at the discretion of Executive Management.

Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	226	2	228
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

- **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion

9, rue des Filles Saint Thomas,

75002 Paris

France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

23. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/31/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	101,983,076.23	125,705,433.48
Equities and similar securities	97,085,820.23	119,844,711.48
Traded in a regulated market or equivalent	97,085,820.23	119,844,711.48
Not traded in a regulated market or equivalent		
Bonds and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	4,897,256.00	5,860,722.00
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	4,897,256.00	5,860,722.00
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES	202,495.90	9,652.27
Forward currency transactions		
Others	202,495.90	9,652.27
FINANCIAL ACCOUNTS	1,138,175.30	644,163.94
Cash and cash equivalents	1,138,175.30	644,163.94
TOTAL ASSETS	103,323,747.43	126,359,249.69

LIABILITIES

	12/31/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	110,646,533.88	132,399,858.38
Allocation Report of distributed items (a)		
Brought forward (b)		
Allocation Report of distributed items on Net Income (a,b)	-8,711,440.35	-8,869,362.38
Result (a,b)	1,058,931.98	2,533,899.41
TOTAL NET SHAREHOLDERS' FUNDS *	102,994,025.51	126,064,395.41
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	329,721.92	294,854.28
Forward currency transactions		
Others	329,721.92	294,854.28
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	103,323,747.43	126,359,249.69

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/31/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/31/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts	47.80	
Revenues from equities and similar securities	1,693,612.17	5,366,825.02
Revenues from bonds and similar securities		
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	1,693,659.97	5,366,825.02
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	156.33	9,556.81
Other financial charges		
TOTAL (2)	156.33	9,556.81
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	1,693,503.64	5,357,268.21
Other income (3)		
Management fees and depreciation provisions (4)	1,132,522.68	2,243,911.81
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	560,980.96	3,113,356.40
Revenue adjustment (5)	497,951.02	-579,456.99
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	1,058,931.98	2,533,899.41

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context. crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 1.80% including tax of net assets.
 - The management fee rate is 1.50% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.
- For unit W, the maximum rate applied is 1.15% including tax of net assets.
 - The management fee rate is 0.85% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

<i>Share</i>	<i>Allocation of the net income</i>	<i>Allocation of the net realized gains and losses</i>
Share A	Accumulation	Accumulation
Share W	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/31/20	12/31/19
NET ASSETS IN START OF PERIOD	126,064,395.41	162,010,419.18
Subscriptions (including subscription fees received by the fund)	40,267,332.50	60,385,728.57
Redemptions (net of redemption fees received by the fund)	-58,604,219.11	-117,312,795.87
Capital gains realised on deposits and financial instruments	5,945,768.74	7,249,333.88
Capital losses realised on deposits and financial instruments	-11,637,604.80	-19,023,491.33
Capital gains realised on hedges		
Capital losses realised on hedges		
Dealing costs	-157,771.69	-208,173.55
Exchange gains/losses	-132,607.34	252,368.03
Changes in difference on estimation (deposits and financial instruments)	687,750.84	29,598,918.83
<i>Difference on estimation, period N</i>	3,879,606.68	3,191,855.84
<i>Difference on estimation, period N-1</i>	-3,191,855.84	26,407,062.99
Changes in difference on estimation (hedges)		
<i>Difference on estimation, period N</i>		
<i>Difference on estimation, period N-1</i>		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		-1,268.73
Net profit for the period, before adjustment prepayments	560,980.96	3,113,356.40
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	102,994,025.51	126,064,395.41

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
TOTAL BONDS AND SIMILAR SECURITIES		
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities								
Credit instruments								
Temporary transactions in securities								
Financial accounts							1,138,175.30	1.11
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities										
Credit instruments										
Temporary transactions in securities										
Financial accounts	1,138,175.30	1.11								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1 USD		Currency 2		Currency 3		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities	0.01							
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
	Subscription receivable	202,495.90
TOTAL RECEIVABLES		202,495.90
PAYABLES		
	Fixed management fees	329,721.92
TOTAL PAYABLES		329,721.92
TOTAL PAYABLES AND RECEIVABLES		-127,226.02

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Share A		
Shares subscribed during the period	8,632.12672	2,497,073.28
Shares redeemed during the period	-154,948.76067	-46,462,785.23
Net Subscriptions/Redemptions	-146,316.63395	-43,965,711.95
Shares in circulation at the end of the period	208,349.19327	
Share W		
Shares subscribed during the period	174,636.85085	37,770,259.22
Shares redeemed during the period	-60,121.33868	-12,141,433.88
Net Subscriptions/Redemptions	114,515.51217	25,628,825.34
Shares in circulation at the end of the period	172,602.76676	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Share A	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Share W	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Shares A	
Underwriting commission	
Fixed management fees	1,001,809.85
Percentage set for fixed management fees	1.70
Variable management fees	
Trailer fees	
Share W	
Underwriting commission	
Fixed management fees	130,712.83
Percentage set for fixed management fees	1.10
Variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTHER DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			4,897,256.00
	FR0007078829	METROPOLE AVENIR EUROPE A	2,713,680.00
	FR0010695874	METROPOLE CORPORATE BONDS A	2,183,576.00
Hedges			
Total group financial instruments			4,897,256.00

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/31/20	12/31/19
Sums not yet allocated		
Brought forward		
Profit (loss)	1,058,931.98	2,533,899.41
Total	1,058,931.98	2,533,899.41

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Brought forward		
Capitalized	510,943.02	2,176,656.09
Total	510,943.02	2,176,656.09

	12/31/20	12/31/19
Share W		
Allocation		
Distribution		
Brought forward		
Capitalized	547,988.96	357,243.32
Total	547,988.96	357,243.32

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/31/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	-8,711,440.35	-8,869,362.38
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	-8,711,440.35	-8,869,362.38

	12/31/20	12/31/19
Share A		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-5,272,821.98	-7,862,201.59
Total	-5,272,821.98	-7,862,201.59

	12/31/20	12/31/19
Share W		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-3,438,618.37	-1,007,160.79
Total	-3,438,618.37	-1,007,160.79

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PASTFIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
Global Net Assets in EUR	27,373,090.96	3,545,234.61	162,010,419.18	126,064,395.41	102,994,025.51
METROPOLE Euro SRI SHARE A EUR					
Net assets	25,946,943.44	2,835,275.09	124,948,871.67	111,691,418.12	62,237,246.47
Number of shares/units	82,409.56214	8,636.48156	454,603.08855	354,665.82722	208,349.19327
NAV per share/unit	314.85	328.29	274.85	314.92	298.71
Net Capital Gains and Losses Accumulated per share	-3.29	85.10	14.65	-22.16	-25.30
Net income Accumulated on the result	3.17	1.58	4.64	6.13	2.45
METROPOLE Euro SRI SHARE D EUR					
Net assets			65,346.40		
Number of shares/units			293.00916		
NAV per share/unit			223.01		
Net Capital Gains and Losses Accumulated per share			2.74		
Distribution on Net Income on the result			4.33		
Tax credits per share/unit					
METROPOLE Euro SRI SHARE W EUR					
Net assets	1,426,147.52	709,959.52	36,996,201.11	14,372,977.29	40,756,779.04
Number of shares/units	5,882.76465	2,786.76816	172,295.70553	58,087.25459	172,602.76676
NAV per share/unit	242.42	254.76	214.72	247.43	236.13
Net Capital Gains and Losses Accumulated per share	-1.61	65.88	11.30	-17.33	-19.92
Net income Accumulated on the result	-0.35	3.21	5.70	6.15	3.17

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Equities and similar securities				
Listed equities and similar securities				
FINLAND				
NOKIA (AB) OYJ	EUR	500,996	1,578,638.40	1.54
STORA ENSO AB EX ENSO OYJ	EUR	180,533	2,824,438.79	2.74
TOTAL FINLAND			4,403,077.19	4.28
FRANCE				
ACCOR	EUR	63,464	1,878,534.40	1.82
ALSTOM	EUR	36,543	1,703,269.23	1.66
ATOS SE	EUR	22,383	1,673,800.74	1.62
AXA	EUR	172,829	3,372,239.45	3.28
BNP PARIBAS	EUR	110,060	4,744,136.30	4.61
BOUYGUES	EUR	50,203	1,689,330.95	1.64
BUREAU VERITAS	EUR	42,495	924,691.20	0.90
CAPGEMINI SE	EUR	7,070	896,476.00	0.87
CARREFOUR	EUR	95,875	1,345,126.25	1.30
PUBLICIS GROUPE SA	EUR	75,737	3,087,040.12	2.99
SAFRAN SA	EUR	19,982	2,316,912.90	2.25
SAINT-GOBAIN	EUR	77,162	2,893,575.00	2.81
SANOFI	EUR	11,512	905,994.40	0.88
SCHNEIDER ELECTRIC SA	EUR	8,555	1,012,056.50	0.98
SOCIETE GENERALE SA	EUR	111,069	1,890,616.52	1.84
SODEXO / EX SODEXHO ALLIANCE	EUR	23,494	1,626,254.68	1.58
TOTAL SE	EUR	110,514	3,901,144.20	3.79
VALEO SA	EUR	83,921	2,708,969.88	2.63
VEOLIA ENVIRONNEMENT	EUR	53,530	1,071,135.30	1.04
TOTAL FRANCE			39,641,304.02	38.49
GERMANY				
ALLIANZ SE-REG	EUR	19,362	3,885,953.40	3.78
BASF SE	EUR	56,619	3,664,381.68	3.55
BMW BAYERISCHE MOTOREN WERKE	EUR	35,394	2,556,508.62	2.48
CONTINENTAL AG O.N.	EUR	23,484	2,847,435.00	2.76
COVESTRO AG	EUR	43,327	2,187,146.96	2.12
DAIMLER AG-REGISTERED SHARES	EUR	43,776	2,529,815.04	2.46
HEIDELBERGER ZEMENT	EUR	52,281	3,200,642.82	3.11
SIEMENS AG-REG	EUR	36,413	4,279,255.76	4.15
SIEMENS ENERGY AG	EUR	75,448	2,263,440.00	2.20
VOLKSWAGEN AG-PREF	EUR	11,466	1,747,647.72	1.70
TOTAL GERMANY			29,162,227.00	28.31
ITALY				
ENEL SPA	EUR	472,675	3,911,858.30	3.80
INTESA SANPAOLO	EUR	2,047,995	3,916,995.24	3.80
UNICREDIT SPA	EUR	219,528	1,678,950.14	1.63
TOTAL ITALY			9,507,803.68	9.23
LUXEMBOURG				
ARCELORMITTAL	EUR	175,197	3,307,719.36	3.21
TOTAL LUXEMBOURG			3,307,719.36	3.21

Name of security	Currency	Quantity	Market value	% Net Assets
NETHERLANDS				
ING GROEP NV	EUR	212,171	1,621,198.61	1.57
ROYAL DUTCH SHELL - A	EUR	86,625	1,265,937.75	1.23
ROYAL DUTCH SHELL RTS	USD	71,274	0.01	
ROYAL PHILIPS	EUR	25,388	1,111,486.64	1.08
TOTAL NETHERLANDS			3,998,623.01	3.88
SPAIN				
AMADEUS IT GROUP SA	EUR	28,374	1,689,955.44	1.64
BANCO SANTANDER S.A.	EUR	1,379,107	3,500,173.57	3.40
REPSOL	EUR	219,787	1,813,242.75	1.76
REPSOL RTS 08-01-21	EUR	219,787	61,694.21	0.06
TOTAL SPAIN			7,065,065.97	6.86
TOTAL Listed equities and similar securities			97,085,820.23	94.26
TOTAL Equities and similar securities			97,085,820.23	94.26
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
METROPOLE AVENIR EUROPE A	EUR	4,500	2,713,680.00	2.64
METROPOLE CORPORATE BONDS A	EUR	7,300	2,183,576.00	2.12
TOTAL FRANCE			4,897,256.00	4.76
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			4,897,256.00	4.76
TOTAL Collective investment undertakings			4,897,256.00	4.76
Receivables			202,495.90	0.20
Payables			-329,721.92	-0.33
Financial accounts			1,138,175.30	1.11
Net assets			102,994,025.51	100.00

Share A	EUR	208,349.19327	298.71
Share W	EUR	172,602.76676	236.13

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE EURO SRI, sub-fund of the METROPOLE FUNDS SICAV

W (Accumulation) FR0013185055

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the EURO STOXX Large index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to eurozone companies with a market capitalisation of more than €5 billion in order to narrow down the investment universe, and then selecting undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

The sub-fund will be invested mainly in stocks with a market capitalisation of more than €5 billion. 10% of the assets may be invested in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway. The sub-fund may also, as opportunities arise, invest in stocks not listed on the EURO STOXX Large index.

Investment in eurozone equities denominated in euros is at least 75% and equity exposure for its part is at least 60%. The sub-fund may invest up to 10% of its assets in equities issued in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway.

Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The sub-fund's W share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE EURO SRI, sub-fund of the METROPOLE FUNDS SICAV

W GBP (Accumulation) FR0013434040

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the EURO STOXX Large index with net dividends reinvested, over a five-year period.

The strategy is to select the companies with the best ESG ratings by applying Best-in-Class/Best-effort rating methodology to eurozone companies with a market capitalisation of more than €5 billion in order to narrow down the investment universe, and then selecting undervalued stocks through a rigorous financial analysis, the management teams' knowledge and the detection of one or two specific catalysts liable to reduce the discount within a period of 18 to 24 months.

The "socially responsible" criteria taken into account are analysed from four points of view:

- corporate governance policy
- environmental protection
- human capital management
- relationships with and management of the various stakeholders (suppliers, clients, local communities and regulators).

This approach is complemented by:

- engagement with companies through individual, topical and collective dialogue and voting.
- an impact analysis of our ESG approach.

The sub-fund will be invested mainly in stocks with a market capitalisation of more than €5 billion. 10% of the assets may be invested in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway. The sub-fund may also, as opportunities arise, invest in stocks not listed on the EURO STOXX Large index.

Investment in eurozone equities denominated in euros is at least 75% and equity exposure for its part is at least 60%. The sub-fund may invest up to 10% of its assets in equities issued in European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway.

Up to 10% of the sub-fund's assets that is not invested in shares may be invested in units or shares of UCITS, including other UCITS managed by METROPOLE Gestion and up to 15% may be invested in money-market products.

The sub-fund may use derivatives to expose or hedge its assets with regard to a specific index or stock.

These derivatives are limited to listed options and futures with a maximum maturity of two years.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

The sub-fund may not be suitable for investors planning to withdraw their investment within five years.

The share class is denominated in GBP and is not hedged against currency risk in relation to the euro.

The sub-fund's GBP share class accumulates its income.

Subscription and redemption requests are cleared each day up until 12pm CET/CEST and executed on the basis of the next net asset value, which will be calculated by using that day's closing price, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



1	2	3	4	5	6	7
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The sub-fund's level-6 risk classification reflects a weekly volatility range of between 15% and 25% over five years.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

None.

For further information on risks, please refer to the prospectus.

METROPOLE CORPORATE BONDS

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE CORPORATE BONDS, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0010695874

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the FTSE MTS Eurozone Government Bond 3-5 Y index, over a four-year period.

The sub-fund's strategy is to primarily focus on the active management of credit risk via the selection of issuers and the management of credit risk premiums (credit spreads).

The sub-fund is invested in bonds and other similar debt securities and money-market instruments denominated in euros, issued by sovereign, public or private issuers. The sub-fund may invest up to 20% of its assets in convertible bonds, exchangeable bonds, other equity securities or other similar bonds.

The sub-fund may invest up to 10% of its assets in a European Union currency other than the euro, in the United Kingdom, in Switzerland and in Norway.

The sub-fund may invest up to 10% of its assets in units or shares of UCITS, including those managed by METROPOLE Gestion. The sub-fund invests a minimum of 80% of its assets in bonds and other similar debt securities and instruments denominated in euros, which must be rated BBB-/Baa3 or higher.

The sub-fund may invest up to 10% of its assets in financial instruments rated below BBB-/Baa3; and up to 10% in financial instruments that are unrated.

The modified duration ranges between 0 and 7.

The sub-fund may, subject to a limit of 100% of its assets, invest in forward financial instruments that are traded on French and foreign regulated markets. In this context, the manager may take positions to hedge the portfolio and/or expose it to currency risk, credit risk and to the interest rate market.

The sub-fund may borrow up to 10% of its assets in cash.

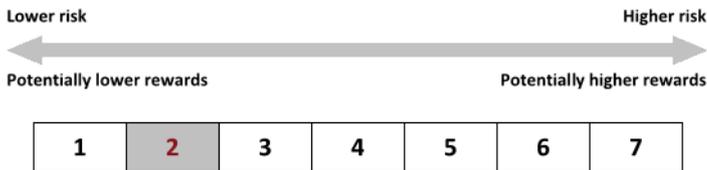
The sub-fund might not be suitable for investors planning to withdraw their investment within 4 years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared in France each day up until 12pm and executed on the basis of the next net asset value that will be calculated by using the closing price of the same day, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



The sub-fund's level-2 risk classification reflects a volatility range of between 0.5% and 2%.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

Credit risk: The risk that an issuer has its rating downgraded or defaults.

Risk linked to the use of techniques related to forward financial instruments:

The use of derivatives may result, over short periods, in significant net asset variations, both upwards and downwards.

For further information on risks, please refer to the prospectus.

26. CHANGES AFFECTING THE UCI

None.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

27. MANAGEMENT REPORT

2020 was marked by the emergence of a health crisis whose impact is unprecedented in modern economic history in terms of its scale and nature. This crisis forced central banks to deploy measures and liquidity injections of an equally unprecedented scale to counter the adverse effects of the pandemic on economic activity.

In the Eurozone bond markets, sovereign bond yields remained in negative territory due to the combined effects of central bank measures and extreme risk aversion. For example, the yield on German 5-year debt fell from -0.47% at the beginning of 2020 to -0.74% at end-December. Italian sovereign bonds also benefited from a significant tightening of spreads relative to Germany. The Italian 5-year yield fell from +0.68% to -0.008%, dropping into negative territory for the first time in its history. This fall corresponds to a tightening of spreads relative to German bonds with the same maturities, from 115 basis points to 73 basis points at end-December compared with a spread of more than 250 basis points at the height of the health crisis in March.

In corporate bonds, credit spreads initially widened significantly at the beginning of the crisis, from 88 basis points to 220 basis points, then fell again to 82 basis points at the end of the period for BBB-rated corporate bonds with a 5-year maturity against German bonds with the same maturity. This decline reflects the exceptional strength of European companies during the crisis, even for those whose activity is highly cyclical thanks to strong cash flow generation and access to very abundant liquidity, which staved off financial risks. Lastly, inflation expectations were revised down given the crisis, such as the German 5-year breakeven which has decreased from 0.84% to 0.72% over the past year.

Against this backdrop, the METROPOLE Corporate Bonds sub-fund posted an annual performance of -0.60% compared with +1.27% for its benchmark, the FTSE MTS 3-5 year. The sub-fund's relative performance was hurt by a position that in relation to the benchmark index was underexposed to the fall in interest rates and by the underperformance of inflation-linked bonds in the portfolio.

Note that past performance is not a reliable indicator of future performance.

The investment strategy was not changed. The objective is to outperform the FTSE MTS 3-5 year benchmark index through active management of interest rate risk and credit risk, in particular through issuer selection.

Among the main movements within the sub-fund during 2020, we sold securities that reached our spread objectives, such as Accor 1.25% 2024, Atos 1.75% 07/2025, Publicis 0.5% 03/2023 and Fresenius 1.875% 2025. We nonetheless introduced new corporate bond lines that offer attractive returns and the potential for a narrowing of spread. These include, for example, the Amadeus 2.5% 2024 bond offering a yield of +2.3%, Daimler 1% 2027 offering a yield of +1.3% and a spread of 199 basis points relative to German sovereign debt, and the IAG 0 5/8 convertible bond maturing in 2022 offering a yield to maturity of +6.5% while the company's balance sheet is strong enough to cope with many months without any activity.

We also introduced two Portuguese and German sovereign debt lines maturing in 2025 and 2022 respectively.

Over full-year 2020, we maintained interest rate sensitivity lower than that of the benchmark index. At the end of December, it stood at 1.9% compared with 3.9% for the FTSE MTS 3-5 year. At the end of the period, the breakdown between corporate bonds and sovereign bonds was 33% and 67% respectively.

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
ITALIE E6R+0.8% 15-12-20		1,153,432.03
ITALIE EI 2.60% 09/23		1,124,379.26
B E3R+0.4% 15-01-20 EMTN		600,000.00
AUST GOVE BON 1.65% 21-10-24		493,690.49
ROYAUME D'ESPAGNE 1.8% 30/11/2024 IND		480,828.63
BGB 2.6 06/22/24		476,599.20
ITALY CERT DI CREDITO DEL TESOROCCT E6R+0.55% 15-12-23	434,300.00	
CCTS 0 06/15/22		361,720.81
ITALY E6R+0.7% 15-12-22		322,334.30
B E3R+0.6% 04-03-20 EMTN		300,000.00

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

28. REGULATORY INFORMATIONS

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

- **Exposure obtained through the EPM techniques:**

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

- **Underlying exposure reached through financial derivative instruments:**

- o Forward transaction:
- o Future:
- o Options:
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

28. REGULATORY INFORMATIONS

• FINANCIAL INTERMEDIARY BEST SELECTION POLICY

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation.

The variable compensation is awarded at the discretion of Executive Management.

Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	19	0	19
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

- **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion

9, rue des Filles Saint Thomas,

75002 Paris

France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

29. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/31/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	7,932,341.78	14,516,697.22
Equities and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Bonds and similar securities	7,932,341.78	14,516,697.22
Traded in a regulated market or equivalent	7,932,341.78	14,516,697.22
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings		
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries		
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES		
Forward currency transactions		
Others		
FINANCIAL ACCOUNTS	846,876.33	1,563,018.87
Cash and cash equivalents	846,876.33	1,563,018.87
TOTAL ASSETS	8,779,218.11	16,079,716.09

LIABILITIES

	12/31/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	8,734,327.98	16,327,435.09
Allocation Report of distributed items (a)		
Brought forward (b)		
Allocation Report of distributed items on Net Income (a,b)	4,574.99	-339,892.84
Result (a,b)	10,889.05	57,633.55
TOTAL NET SHAREHOLDERS' FUNDS *	8,749,792.02	16,045,175.80
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	29,426.09	34,540.29
Forward currency transactions		
Others	29,426.09	34,540.29
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	8,779,218.11	16,079,716.09

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/31/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/31/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts		
Revenues from equities and similar securities		
Revenues from bonds and similar securities	111,957.51	228,226.99
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	111,957.51	228,226.99
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	310.94	3,007.81
Other financial charges		
TOTAL (2)	310.94	3,007.81
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	111,646.57	225,219.18
Other income (3)		
Management fees and depreciation provisions (4)	100,609.54	164,009.13
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	11,037.03	61,210.05
Revenue adjustment (5)	-147.98	-3,576.50
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	10,889.05	57,633.55

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context. crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 1.10% including tax of net assets.
 - The management fee rate is 0.80% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

<i>Share</i>	<i>Allocation of the net income</i>	<i>Allocation of the net realized gains and losses</i>
Share A	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/31/20	12/31/19
NET ASSETS IN START OF PERIOD	16,045,175.80	17,728,328.36
Subscriptions (including subscription fees received by the fund)		35,565.06
Redemptions (net of redemption fees received by the fund)	-7,231,461.55	-1,903,063.65
Capital gains realised on deposits and financial instruments	70,947.32	50,466.24
Capital losses realised on deposits and financial instruments	-48,729.43	-407,003.95
Capital gains realised on hedges		
Capital losses realised on hedges		
Dealing costs	-96.00	-306.00
Exchange gains/losses		
Changes in difference on estimation (deposits and financial instruments)	-97,081.15	479,979.69
<i>Difference on estimation, period N</i>	8,811.78	105,892.93
<i>Difference on estimation, period N-1</i>	-105,892.93	374,086.76
Changes in difference on estimation (hedges)		
<i>Difference on estimation, period N</i>		
<i>Difference on estimation, period N-1</i>		
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		
Net profit for the period, before adjustment prepayments	11,037.03	61,210.05
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	8,749,792.02	16,045,175.80

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed-rate bonds traded on a regulated or similar market	3,339,930.15	38.17
Floating-rate bonds traded on regulated markets	1,819,474.38	20.80
Convertible bonds traded on a regulated or similar market	186,363.93	2.13
Autres obligations (indexées, titres participatifs)	2,586,573.32	29.56
TOTAL BONDS AND SIMILAR SECURITIES	7,932,341.78	90.66
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities	3,526,294.08	40.30			1,819,474.38	20.79	2,586,573.32	29.56
Credit instruments								
Temporary transactions in securities								
Financial accounts							846,876.33	9.68
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities	364,119.25	4.16	1,140,031.72	13.03	3,649,304.56	41.71	2,560,427.12	29.26	218,459.13	2.50
Credit instruments										
Temporary transactions in securities										
Financial accounts	846,876.33	9.68								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1		Currency 2		Currency 3		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
TOTAL RECEIVABLES		
PAYABLES		
	Fixed management fees	29,426.09
TOTAL PAYABLES		29,426.09
TOTAL PAYABLES AND RECEIVABLES		-29,426.09

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Shares subscribed during the period		
Shares redeemed during the period	-24,065.25129	-7,231,461.55
Net Subscriptions/Redemptions	-24,065.25129	-7,231,461.55
Shares in circulation at the end of the period	29,251.79310	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Underwriting commission	
Fixed management fees	100,609.54
Percentage set for fixed management fees	1.10
Variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTHER DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			
Hedges			
Total group financial instruments			

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/31/20	12/31/19
Sums not yet allocated		
Brought forward		
Profit (loss)	10,889.05	57,633.55
Total	10,889.05	57,633.55

	12/31/20	12/31/19
Allocation		
Distribution		
Brought forward		
Capitalized	10,889.05	57,633.55
Total	10,889.05	57,633.55

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/31/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	4,574.99	-339,892.84
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	4,574.99	-339,892.84

	12/31/20	12/31/19
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	4,574.99	-339,892.84
Total	4,574.99	-339,892.84

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PASTFIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
Net assets in EUR	26,401,167.72	22,708,538.56	17,728,328.36	16,045,175.80	8,749,792.02
Number of shares/units	86,551.22790	74,253.98197	59,538.64862	53,317.04439	29,251.79310
NAV per share/unit	305.03	305.82	297.76	300.93	299.11
Net Capital Gains and Losses Accumulated per share	-2.37	-3.72	-4.90	-6.37	0.15
Net income Accumulated on the result	5.76	2.94	1.35	1.08	0.37

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Bonds and similar securities				
Listed bonds and similar securities				
AUSTRIA				
AUST GOVE BON 1.65% 21-10-24	EUR	420,000	459,649.93	5.25
TOTAL AUSTRIA			459,649.93	5.25
BELGIUM				
BGB 2.6 06/22/24	EUR	415,000	468,969.39	5.36
TOTAL BELGIUM			468,969.39	5.36
FINLAND				
NOKIA OYJ 1.0% 15-03-21 EMTN	EUR	103,000	103,943.75	1.19
TOTAL FINLAND			103,943.75	1.19
FRANCE				
BUREAU VERITAS 1.875% 06-01-25	EUR	300,000	324,752.29	3.71
CAPGEMINI 2.5% 01-07-2023	EUR	300,000	321,947.77	3.68
CARREFOUR 0.875% 12-06-23 EMTN	EUR	300,000	308,312.24	3.52
EUTELT 1.125% 23-06-21	EUR	300,000	302,597.10	3.46
FRANCE (GOVT OF) 0.10% 25/07/2021 INDEXE	EUR	350,000	370,174.09	4.23
FRTR 0 1/4 07/25/24	EUR	420,000	475,836.81	5.44
RENAULT CREDIT INTL BANQUE E3R+0.43% 12-01-23	EUR	360,000	358,295.40	4.09
TOTAL FRANCE			2,461,915.70	28.13
GERMANY				
BUNDESSCHATZANWEISUNGEN 0.0% 11-03-22	EUR	135,000	136,152.23	1.56
TOTAL GERMANY			136,152.23	1.56
ITALY				
CCTS 0 06/15/22	EUR	360,000	362,672.40	4.15
ITALIE 2.10% 15/09/21 INDEXE	EUR	400,000	467,260.53	5.34
ITALIE EI 2.60% 09/23	EUR	200,000	264,318.18	3.02
ITALY CERT DI CREDITO DEL TESOROCCT E6R+0.55% 15-12-23	EUR	430,000	433,809.08	4.96
ITALY E6R+0.7% 15-12-22	EUR	400,000	404,522.00	4.62
TOTAL ITALY			1,932,582.19	22.09
NETHERLANDS				
DAIMLER INTL FINANCE BV 1.5% 09-02-27	EUR	200,000	218,459.13	2.50
KONINKLIJKE AHOLD DELHAIZE NV E3R+0.18% 19-03-21	EUR	260,000	260,175.50	2.97
TOTAL NETHERLANDS			478,634.63	5.47
PORTUGAL				
PGB 2 7/8 10/15/25	EUR	120,000	139,965.61	1.60
TOTAL PORTUGAL			139,965.61	1.60
SPAIN				
AMADEUS CM 2.5% 20-05-24 EMTN	EUR	200,000	218,162.19	2.49
ESPAGNE 5.85% 31/01/2022	EUR	300,000	337,018.52	3.85
INTL CONSOLIDATED AIRLINES GROU 0.625% 17-11-22	EUR	200,000	186,363.93	2.13
ROYAUME D'ESPAGNE 1.8% 30/11/2024 IND	EUR	400,000	473,090.90	5.41
SPAIN IL BOND 0.15% 30-11-23	EUR	500,000	535,892.81	6.13
TOTAL SPAIN			1,750,528.35	20.01
TOTAL Listed bonds and similar securities			7,932,341.78	90.66
TOTAL Bonds and similar securities			7,932,341.78	90.66

Name of security	Currency	Quantity	Market value	% Net Assets
Payables			-29,426.09	-0.34
Financial accounts			846,876.33	9.68
Net assets			8,749,792.02	100.00

Share A	EUR	29,251.79310	299.11	
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METROPOLE CONVERTIBLES

Key investor information

This document provides you with key investor information about this UCITS. It is not marketing material. The information is required by law to help you understand the nature and the risks of investing in this UCITS. You are advised to read it so you can make an informed decision about whether to invest.

METROPOLE CONVERTIBLES, sub-fund of the METROPOLE FUNDS SICAV

A (Accumulation) FR0007083332

This UCITS is managed by METROPOLE Gestion

Objectives and investment policy

The sub-fund's objective is to use active management techniques to outperform its benchmark, the ECI Euro index with net coupons included, over a two-year period.

The sub-fund's strategy is to select, within the eurozone, undervalued securities underlying convertible bonds, directly equivalent bonds or reconstituted convertible bonds. Once the underlying equities have been selected, the strategy will be to select the associated convertible or exchangeable bond, or other bonds with similar features to the underlying equities in question, or, if no such bonds exist, to reconstitute them.

The investment in reconstituted convertible bonds may include money market products (BTF, BMTN, BTAN and certificates of deposit), conventional sovereign bonds or corporate bonds, options listed on European markets and futures on European equity markets. The sub-fund may buy or sell futures on European interest rate markets to optimise its overall sensitivity to interest rate changes and it may buy or sell futures on European equity markets to optimise its overall sensitivity to equity market movements.

The sub-fund will not use specific derivatives, such as those traded on over-the-counter markets.

If no convertible bonds, exchangeable bonds, or other bonds with features similar to the underlying equities in question can be invested in, either directly or after reconstitution, the sub-fund may invest up to 10% of its assets directly in equities mainly from the European Union, United Kingdom, Switzerland and Norway.

Up to 10% of the assets may be invested in bonds with similar features to the underlying equities, either directly or after reconstitution, mainly from European Union countries outside the eurozone, as well as the United Kingdom, Switzerland and Norway.

Up to 10% of the sub-fund's assets may be invested in units or shares of UCITS, including those managed by METROPOLE Gestion.

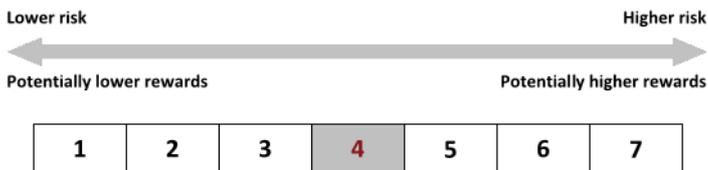
The sub-fund may not be suitable for investors planning to withdraw their investment within two years.

The A share class of the sub-fund accumulates its income.

Subscription and redemption requests are cleared in France each day up until 12pm and executed on the basis of the next net asset value that will be calculated by using the closing price of the same day, i.e. at an unknown price.

The net asset value is available on the website: www.metropolegestion.com.

Risk and reward profile



The sub-fund's level-4 risk classification reflects a volatility range of between 5% and 10%.

This indicator measures the sub-fund's expected performance potential and the risk associated with investing in it.

Historical data, used to calculate the synthetic indicator, might not be considered a reliable indication of the future risk profile.

The risk category is not guaranteed and may change over time.

Category 1 does not mean a risk-free investment.

Your investment is not guaranteed.

Significant risk(s) not taken into account in this indicator:

Credit risk: The risk that an issuer has its rating downgraded or defaults.

Risk linked to the use of techniques related to forward financial instruments:

The use of derivatives may result, over short periods, in significant net asset variations, both upwards and downwards.

For further information on risks, please refer to the prospectus.

31. CHANGES AFFECTING THE UCI

None.

CORPORATE GOVERNANCE REPORT

TERMS OF EXERCISE OF GENERAL MANAGEMENT

In accordance with the provisions of article L255-51 and R225-102 of the French Commercial Code, please note that the Board of Directors has elected to separate the duties of Chairman of the Board from those of the Chief Executing Officer.

M. François-Marie WOKJIC was appointed Chairman of the Board.

Mrs. Isabel LEVY was appointed Chief Executing Officer.

No restriction has been placed on her powers by the Board of Directors.

CONVENTIONS REFERRED TO IN ARTICLE L.225-37-4 ALINEA 2 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-37-4 alinea 2 of the French Commercial Code.

CONVENTIONS REFERRED TO IN ARTICLE L.225-38 OF THE COMMERCIAL CODE

During the financial year ended 31st December 2020, no agreement has been concluded within the scope of Article L. 225-38 of the French Commercial Code.

The Board of Directors keeps a list of the SICAV's conventions available to you on request.

DELEGATIONS IN FORCE GRANTED BY APPLICATION OF ARTICLES L.225-129-1 AND L.225-129-2

Not applicable.

MANDATE EXPIRY DATES

Role	Name	First Name	End of mandate
Chairman of the Board	WOJCIK	François-Marie	2023 Ordinary General Meeting
CEO and Director	LEVY	Isabel	2023 Ordinary General Meeting
Director	DEGIOVANNI	Michel	2023 Ordinary General Meeting
Director	TRAWINSKI	Ingrid	2023 Ordinary General Meeting
Director	De LENCQUESAING	Romuald	2023 Ordinary General Meeting
Director	PECAFI et ASSOCIES Represented by CAPARROS Pedro		2023 Ordinary General Meeting
Auditor	PRICEWATERHOUSECOOPERS AUDIT		2025 Ordinary General Meeting

List of offices and functions of the board members

François-Marie WOJCIK

- Chairman of METROPOLE FUNDS Sicav.
- Chairman and Chief Executive Officer and Chairman of the Board of Directors of METROPOLE GESTION.
- Chairman of AVRIL.
- Chairman of M. HOLDING.

Isabel LEVY

- CEO and Director of METROPOLE FUNDS Sicav.
- DMD of METROPOLE GESTION.

Michel DEGIOVANNI

- Director of METROPOLE Funds SICAV.
- Director of METROPOLE Gestion.
- Member of the Supervisory Board of SWISS LIFE REIM.
- A.A.M. Permanent Representative on the Supervisory Board of SACRA.
- Director of EQUIGEST.
- Director of MUTLOG GARANTIES.
- Director of NATIO.

Ingrid TRAWINSKI

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairwoman of NUSANTARA.

Romuald de LENCQUESAING

- Director of METROPOLE Funds SICAV.
- DMD of METROPOLE Gestion.
- Chairman of R HOLDING.

Monsieur Pedro CAPARROS

- Representative of PECAFI Et Associés (SAS), director of METROPOLE Funds SICAV.
- Representative of PECAFI Et Associés (SAS), director of METROPOLE Gestion.

32. MANAGEMENT REPORT

For 2020 as a whole, the Eurozone convertible bond market turned in a positive performance in an environment that was marked by the emergence of a health crisis whose impact is unprecedented in modern economic history in terms of its scale and nature. The Covid-19 crisis sent a real wave of panic through the markets during the first half of the year. The support provided by the European Central Bank in the form of emergency liquidity, the agreement reached on a €750 billion European stimulus plan and, above all, the launch of a vaccination campaign towards the end of the year, contributed to an improvement in the outlook for a future economic recovery and triggered a rebound in the convertible bond market. Meanwhile, the European Union and the United Kingdom succeeded in signing a last-minute agreement that governs their relations from 1 January 2021 and which avoided a "hard Brexit" scenario.

Yields on the Eurozone bond markets fell overall over the year. German and French 5-year yields fell by 27 and 37 basis points to -0.74% and -0.67%, respectively. Italy's 5-year yield fell by 69 basis points, moving into negative territory for the first time at -0.01% at the year-end. As a result, the spread between Italian and German five-year debt narrowed from 115 to 73 basis points at the end of December, underpinned by massive injections of liquidity by the European Central Bank. However, in March, at the height of the shock caused by the health crisis, the Italian spread had risen to 257 basis points. Credit spreads on 5-year BBB-rated corporate bonds versus German bonds with the same maturity fell slightly over the year, from 88 to 82 basis points. By the start of the second quarter, they had reached a high of 228 basis points. The implied volatility of the pool of convertible bonds making up the ECI Euro rose from 28.9% at the beginning of the year to 31.6% at end-December.

Against this backdrop, the METROPOLE Convertibles sub-fund posted an annual performance of +7.55% compared with +6.06% for its benchmark, the ECI Euro convertible index. The METROPOLE Convertibles sub-fund benefited from its exposure to deeply discounted cyclical and financial underlyings, which rebounded significantly during the last quarter.

Note that past performance is not a reliable indicator of future performance.

The investment strategy was not changed. It involves selecting underlying investments that offer a significant valuation discount and with active management of sensitivity to the equity markets (delta), sensitivity to interest rates and convexity. This is a "Value" style management strategy.

The market downturn since its high in mid-February opened up many opportunities for our value strategy. As such, we were extremely active and made numerous adjustments. Several securities trading at a deep discount were added to the portfolio during the year. Examples include the following physical convertible bonds: the purchase of the Rémy Cointreau 0.125% 09/2026, Prysmian 0% 01/2022, Safran 0% 06/2023, Veolia 0% 01/2025, Evonik/RAG Stiftung 0% 10/2024, Amadeus 1.5% 04/2025, Safran 0.875% 05/2027, Nexity 0.125% 01/2023, IAG 0.625% 11/2022, MTU 0.05% 03/2027, Evonik/RAG Stiftung 0% 06/2026, EDF 0% 09/2024, SNAM 0% 03/2022, Accor 0.7% 12/2027 and Umicore 0% 06/2025. Conversely, we sold the TechnipFMC 0.875% 01/2021 and Ingenico 0% 06/2022 convertible bonds following Worldline's bid for Ingenico. In the reconstituted convertibles segment, we sold SPGB 5.4% 01/2023, BGB 2.6% 06/2024, BTP 0.05% 04/2021, Carrefour 0.875% 06/2023 and BTP 0.2% 10/2020 and added Continental 2.5% 08/2026. Concerning our option positions, we sold our exposure to the underlying companies Capgemini and Michelin and added option positions on Société Générale, Covestro, Royal Dutch Shell and Volkswagen. As a result, the weighting of physical convertibles in the portfolio rose from 42% at the beginning of the year to 61% at end-December.

Over full-year 2020, our interest rate sensitivity was lower than that of the benchmark index. At the end of December, it stood at 1.8% compared with 2.3% for the ECI Euro index. The sub-fund's equity sensitivity was 37%. It fluctuated between 13% and 37% over the course of the year.

Past performance is no guarantee of future performance.

Movements in portfolio listing during the period

Securities	Movements (in amount)	
	Acquisitions	Transfers
INGENICO ZCP 26/06/22 CV		1,658,250.00
SUEZ ZCP 27-02-20 CV		1,212,420.00
ITALIE E6R+0.8% 15-12-20		1,100,000.00
ITALY BUONI POLIENNALI DEL TESORO 0.2% 15-10-20		1,000,200.00
ITALY 0.65% 01-11-20		1,000,000.00
EDF ZCP 14-09-24 CV	843,006.00	
REMY COIN 0.125% 07-09-26	486,767.33	341,385.87
INTL CONSOLIDATED AIRLINES GROU 0.625% 17-11-22	799,875.00	
TAG TEGERNSEE IMMOBILIEN 0.625% 01-09-22	351,900.00	384,030.00
BGB 2.6 06/22/24		730,054.00

Transparency of securities financing transactions and reuse of financial instruments - SFTR regulation - in the CIS's accounting currency (EUR)

During the year, the CIS was not subject to any transactions governed by the SFTR regulation.

• EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS

a) Exposure obtained through the EPM techniques and Financial derivative instruments

• Exposure obtained through the EPM techniques:

- o Securities lending:
- o Securities loans:
- o Reverse repurchase agreement:
- o Repurchase:

• Underlying exposure reached through financial derivative instruments: 5,473,050.78

- o Forward transaction:
- o Future:
- o Options: 5,473,050.78
- o Swap:

b) Identity of the counterparty(ies) to EPM techniques and Financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)

(*) Excepted derivative listed.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
<p>EPM</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash (**) <p style="text-align: right;">Total</p>	
<p>Financial derivative instruments</p> <ul style="list-style-type: none"> . Term deposit . Equities . Bonds . UCITS . Cash <p style="text-align: right;">Total</p>	

(**) The Cash account also includes liquidity resulting from repurchase deals.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
<ul style="list-style-type: none"> . Revenues (***) . Other revenues <p style="text-align: right;">Total revenues</p> <ul style="list-style-type: none"> . Direct operational fees . Indirects operational fees . Other fees <p style="text-align: right;">Total fees</p>	

(***) Revenues received from loans, repurchase and reverse repurchase agreements.

33. REGULATORY INFORMATIONS

• FINANCIAL INTERMEDIARY BEST SELECTION POLICY

In order to comply with its regulatory obligations, in particular the MiFID regulatory package and the fiduciary duty to provide the best execution for clients under US SEC (Security Exchange Commission) regulations, METROPOLE Gestion is required to take all necessary steps to obtain the best possible result for its clients when transmitting orders for execution as part of its asset management activity. It therefore selects financial intermediaries whose execution policies will ensure the best possible results to that end.

The best execution obligation takes the form of a best selection obligation.

1. Scope

The selection policy applies to all financial instruments and to all funds and mandates managed by METROPOLE Gestion, which invariably uses a financial intermediary to place orders.

2. Place of execution

METROPOLE Gestion authorises its financial intermediaries to process orders on all markets in order to benefit from the full range of products available and to be in a position to obtain the best possible result for its clients. It expressly consents to orders being executed on:

- regulated markets;
- multilateral trading facilities;
- systematic internalisers; and
- organised trading facilities.

3. Selection and assessment of financial intermediaries

3.1. Selection of financial intermediaries

METROPOLE Gestion has established a Broker committee to oversee the selection of financial intermediaries who are to execute orders, and to verify that those financial intermediaries comply with their best execution obligations. This Broker committee meets every six months. It reviews the performances of the selected financial intermediaries over the course of the previous period in light of the chosen criteria and decides whether to retain them on the selection list.

All financial intermediaries must first be approved by the Broker committee. Orders may not be transmitted to a non-selected financial intermediary. Financial intermediaries are selected solely on the basis of objective criteria defined in the financial intermediary selection and assessment policy.

METROPOLE Gestion expects its financial intermediaries to obtain the best results when executing orders, based on the following criteria:

- Execution price;
- Costs of execution;
- Speed;
- The probability of execution and settlement;
- Size;
- Type;
- Other considerations relevant to the execution of the order.

METROPOLE Gestion checks that these criteria are included in the selected financial intermediaries' execution policies.

3.2. Assessment of financial intermediaries

The following assessment criteria are used to score financial intermediaries:

- Overall price and compliance with instructions;
- Ability to source liquidity;
- Effective settlement of transactions;
- Quality of reports.

The rating scale, as applied to the various criteria, produces an overall score that is used to classify selected financial intermediaries for the subsequent period. The relative weightings of each criterion, which are set by the Broker committee, depend on the financial instrument.

When transmitting orders for execution, the key factor is the overall price (representing the price of the financial instrument and costs associated with execution).

4. Conflicts of interest

METROPOLE Gestion is an independent management company owned by its founders and employees; it has no ownership relationships that may lead to conflicts of interest with other companies that offer brokerage services on the financial markets. Brokers are selected solely on the basis of the criteria defined in the selection policy.

5. Disclosure of the policy

The financial intermediary selection and assessment policy is available on request from the management company.

- **CONFLICTS OF INTEREST POLICY**

In accordance with its principles and the prevailing regulations resulting from the transposition of MiFID, Metropole Gestion has defined a policy for identifying, preventing and managing conflicts of interest.

A conflict of interest may arise when an investment services provider carries out activities either on behalf of a client or on a proprietary basis, which come or may come into conflict with the interests of another client or group of clients if these activities are not organised and verified in an appropriate manner.

The purpose of this policy is to:

- establish formal procedures for identifying situations giving rise to or likely to give rise to a conflict of interest involving an appreciable risk of harming clients' interests,
- define the procedures to be followed and the steps to be taken with a view to managing these conflicts.

These mechanisms are characterised by, inter alia:

- a business line organisation devised to avoid giving rise to conflicts of interest and decisions being made by the company contrary to clients' interests,
- procedures based on the principles of fairness in the processing of the orders placed with financial intermediaries, in particular in terms of the allocation of assets or financial instruments,
- an employee remuneration policy not based on purely commercial objectives.

If the organisational and administrative measures taken by Metropole Gestion to manage conflicts of interest do not suffice to guarantee with reasonable certainty that the risk of harming the client's interests will be avoided, prior to acting in its name Metropole Gestion will inform the client clearly of the general nature and/or the source of the conflict of interest. This information will be provided to the client on a durable medium and will be sufficiently detailed so that the client can make an informed decision.

Metropole Gestion will maintain an effective conflict of interest management policy that is appropriate with respect to the size, organisation, nature, importance and complexity of its activity.

- **INTERMEDIATION COSTS**

Details of the conditions under which the management company used investment decision-making assistance and order execution services during the last financial year are available on its website: [http:// www.metropolegestion.com](http://www.metropolegestion.com)

- **USE OF EFFICIENT PORTFOLIO MANAGEMENT TECHNIQUES**

The mutual fund did not use efficient portfolio management techniques.

- **VOTING RIGHTS**

No voting rights are attached to the units since decisions are taken by the management company.

- **USE OF FINANCIAL INSTRUMENTS MANAGED BY THE MANAGEMENT COMPANY OR AN AFFILIATED COMPANY**

The table of financial instruments managed by the management company or an affiliated company is included in the notes to the CIS's annual financial statements.

- **COMMUNICATION OF ENVIRONMENTAL, SOCIAL AND GOVERNANCE QUALITY CRITERIA (ESG)**

Information on the ESG criteria is available on the website: www.metropolegestion.com

- **OVERALL RISK CALCULATION METHOD**

The commitment is calculated using the straight-line method.

- **COMPENSATION POLICY**

The management company's compensation policy has been determined and is updated in accordance with the 2014/91/UE and 2011/61/EU directives.

The policy is based on compensation practices that are compatible with healthy and efficient management and do not encourage inappropriate risk-taking. The policy applies to all employees and sets out the rules that apply to certain categories of employee whose professional activities may have a material impact on the risk profile of the company or the funds managed (employees identified in accordance with the AMF General Regulation).

METROPOLE Gestion pays its employees a fixed compensation, and may also pay them variable compensation.

The variable compensation is awarded at the discretion of Executive Management.

Details on the compensation policy are available free of charge upon request.

Total compensation paid for the year by METROPOLE Gestion for all staff, at members of 33, broken down into fixed and variable compensation.

Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
3 276	20	3 296

Total compensation paid for the year to senior executives and staff members of METROPOLE Gestion, whose activities have a significant impact on the risk profile of the UCITS (risk takers).

	Fixed compensation for 2020 (in €K)	Variable compensation for 2020 (in €K)	Total compensation for 2020 (in €K)
Risk takers including senior executives ⁽¹⁾	53	0	53
Number of identified risk takers, including General Management : 17			
Number of staff members whose remuneration falls within risk takers' remuneration bracket : 5			

⁽¹⁾ The compensation mentioned is calculated in proportion to the UCITS' assets in relation to Métropole Gestion's total assets at 12/31/20.

- **OTHER INFORMATION**

Unitholders can obtain the CIS's full prospectus and most recent annual and interim reports within one week by writing to:

METROPOLE Gestion

9, rue des Filles Saint Thomas,

75002 Paris

France

Tel.: + 33 (0)1 58 71 17 00

Fax: +33 (0)1 58 71 17 98

These documents are also available on the website: www.metropolegestion.com

34. ANNUAL FINANCIAL STATEMENTS

BALANCE SHEET AT 12/31/2020 in EUR

ASSETS

	12/31/20	12/31/19
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	21,944,807.19	22,864,581.38
Equities and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Bonds and similar securities	18,936,520.19	20,105,508.58
Traded in a regulated market or equivalent	18,936,520.19	20,105,508.58
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	2,108,796.00	2,487,103.80
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	2,108,796.00	2,487,103.80
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges	899,491.00	271,969.00
Hedges in a regulated market or equivalent	899,491.00	271,969.00
Other operations		
Other financial instruments		
RECEIVABLES		
Forward currency transactions		
Others		
FINANCIAL ACCOUNTS	2,034,141.38	2,402,060.62
Cash and cash equivalents	2,034,141.38	2,402,060.62
TOTAL ASSETS	23,978,948.57	25,266,642.00

LIABILITIES

	12/31/20	12/31/19
SHAREHOLDERS' FUNDS		
Capital	23,352,576.21	25,177,771.73
Allocation Report of distributed items (a)		
Brought forward (b)		
Allocation Report of distributed items on Net Income (a,b)	711,006.44	144,321.81
Result (a,b)	-166,959.65	-118,872.63
TOTAL NET SHAREHOLDERS' FUNDS *	23,896,623.00	25,203,220.91
* Net Assets		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	82,325.57	63,421.09
Forward currency transactions		
Others	82,325.57	63,421.09
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	23,978,948.57	25,266,642.00

(a) Including adjustment

(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 12/31/2020 in EUR

	12/31/20	12/31/19
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
Options		
HEIDELBERGER ZEMENT 12/2021 CALL 68 (?)	392,787.52	
COVESTRO AG 09/2021 CALL 56 (?)	258,205.20	
ALLIANZ HOLDING 03/2020 CALL 230		202,675.20
ALLIANZ SE-VINK 12/2021 CALL 220	392,569.20	
BASF SE 03/2020 CALL 75		79,270.95
BASF SE 12/2021 CALL 68	507,922.56	
BMW 03/2020 CALL 76		238,290.12
BMW 12/2021 CALL 86	199,354.80	
BNP PARIBAS 03/2020 CALL 55		339,485.58
BNP PARIBAS 12/2021 CALL 50	264,664.70	
CARREFOUR 03/2020 CALL 17		94,065.40
CONTINENTAL AG O.N. 03/2020 CALL 140		45,988.74
CONTINENTAL AG O.N. 12/2021 CALL 140	296,335.00	
CAPGEMINI SE 03/2020 CALL 115		296,208.00
AXA 03/2020 CALL 26		274,050.54
AXA 09/2021 CALL 20	275,216.76	
BOUYGUES 03/2020 CALL 42		140,459.04
ORANGE 03/2020 CALL 15		23,970.24
SOCIETE GENERALE SA 12/2021 CALL 20 (?)	249,882.96	
INTESA SANPAOLO SPA 03/2020 CALL 2,6		216,590.41
INTESA SANPAOLO SPA 03/2020 CALL 2,4		243,868.24
INTESA SANPAOLO 12/2021 CALL 2.2	326,939.84	
MICHELIN - CAT.B 03/2020 CALL 120		170,305.10
ARCELORMITTAL 03/2020 CALL 18		177,536.70
ARCELORMITTAL 12/2021 CALL 24	560,358.40	
NOKIA (AB) OY 03/2020 CALL 3,8		217,931.52
PUBLICIS GROUPE SA 03/2020 CALL 42		388,465.00
PUBLICIS GROUPE SA 12/2021 CALL 45	310,591.20	
ROYA DUTC SHEL-A 03/2020 CALL 26		263,249.18
ROYA DUTC SHEL-A 03/2020 CALL 28		170,220.12
ROYA DUTC SHEL-A 12/2021 CALL 16	350,789.32	
SANOFI 03/2020 CALL 95		302,377.88
SAINT-GOBAIN 03/2020 CALL 40		174,616.00
SAINT-GOBAIN 06/2021 CALL 40	351,900.00	
SIEMENS AG-REG 03/2020 CALL 120		324,272.55
SIEMENS AG-REG 12/2021 CALL 125	76,076.12	
TOTAL SE 12/2021 CALL 41 (?)	285,930.00	

	12/31/20	12/31/19
UNIB-RODAMCO-WEST 03/2020 CALL 150		146,276.00
UNICREDIT SPA 03/2020 CALL 14,5		188,724.90
UNICREDIT SPA 12/2021 CALL 11	135,752.00	
VOLKSWAGEN-PREF 09/2021 CALL 180	237,775.20	
OTC contracts		
Other commitments		

INCOME STATEMENT AT 12/31/2020 in EUR

	12/31/20	12/31/19
Revenues from financial operations		
Revenues from deposits and financial accounts		
Revenues from equities and similar securities		
Revenues from bonds and similar securities	126,283.17	227,289.21
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities		
Revenues from hedges		
Other financial revenues		
TOTAL (1)	126,283.17	227,289.21
Charges on financial operations		
Charges on temporary acquisition and disposal of securities		
Charges on hedges		
Charges on financial debts	957.43	4,260.59
Other financial charges		
TOTAL (2)	957.43	4,260.59
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	125,325.74	223,028.62
Other income (3)		
Management fees and depreciation provisions (4)	304,417.90	357,491.37
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	-179,092.16	-134,462.75
Revenue adjustment (5)	12,132.51	15,590.12
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	-166,959.65	-118,872.63

I. ACCOUNTING RULES AND METHODS

The annual accounts are presented as provided by the ANC Regulation 2014-01 as amended.

General accounting principles apply, viz:

- fair picture, comparability, ongoing business,
- proper practice & trustworthiness,
- prudence,
- no unreported change in methods from one period to the next.

The accrued interest method is used to recognise income from fixed-income securities.

Acquisitions and disposals of securities are recognized exclusive of costs.

The accounting currency of the portfolio is EURO.

The accounting period reported on is 12 months.

Information on the impact of the COVID-19 crisis

The accounts were closed by the Board of Directors on the basis of the information available in an evolving context. crisis linked to Covid-19.

Asset valuation rules:

Financial instruments are initially recognized at historic cost and carried on the Balance Sheet at their current value: this is their latest known market value or, in the absence of a market, is determined by any external means or by recourse to financial models.

Differences between the securities' current values determined as above and their original historic cost are recognized in the accounts as "differences on estimation".

Securities denominated in a currency other than that of the portfolio are valued in accordance with the above principle and then converted into the currency of the portfolio at the exchange rate obtained on the valuation date.

Deposit:

Deposits maturing in three months or sooner are valued according to the linear method.

Equities, bonds and other securities traded in a regulated market or equivalent:

When calculating the NAV, the equities and other securities traded in a regulated market or equivalent are valued based on the day's closing market price.

Bonds and similar securities are valued at the closing price notified by various financial service providers. Interest accrued on bonds and similar securities is calculated up to the date of asset valuation.

Equities, bonds and other securities not traded in a regulated market or equivalent:

Securities not traded in a regulated market are valued by the Board of Directors using methods based on net equity and yield, taking into account the prices retained in significant recent transactions..

Negotiable credit instruments (Notes):

Negotiable credit instruments which are not actively traded in significant amounts are actuarially valued on the basis of a reference rate as specified below, plus any enhancement to represent the issuer's intrinsic characteristics:

- Notes maturing in one year's time or less: euro interbank offered rate (Euribor);
- Notes maturing in more than one year's time: the prevailing rate on medium-term interest-bearing Treasury notes (BTAN) or, for the longest Notes, on near-term fungible Treasury bonds (OAT);

Negotiable credit instruments maturing in three months or sooner may be valued according to the linear method.

French Treasury notes are valued using the market rate published daily by the Banque de France.

UCITS held:

UCITS units or shares are valued at the latest known NAV.

Temporary transactions in securities:

Securities held under sell-back deals are carried in Assets under “credits for securities held under sell-back deals” at the amount provided for in the contract, plus accrued interest receivable.

Securities sold under buy-back deals are booked to the buying portfolio at their current value. The corresponding debt is booked to the selling portfolio at the value set in the contract plus accrued interest payable.

Loaned securities are valued at their current value and carried in Assets under “credits for loaned securities” at their current value plus accrued interest receivable.

Borrowed securities are carried in Assets under “borrowed securities” at the amount provided for in the contract, and in Liabilities under “debts for borrowed securities” at the amount provided for in the contract plus accrued interest payable.

Financial contracts:**Financial contracts traded on a regulated or equivalent market:**

Financial contracts traded on regulated markets are valued at their daily settlement price.

Financial contracts not traded on a regulated or equivalent market:**Swaps:**

Rate swaps and/or forward currency transactions are valued at their market value according to the price calculated by discounting future interest streams at market interest (and/or exchange) rates. This price is adjusted for default risk.

Index swaps are valued actuarially on the basis of a reference rate provided by the counterparty.

Other swaps are valued at their market value or are estimated as specified by the Board of Directors.

Off-Balance Sheet Commitments:

Firm hedging contracts are stated among “Off-Balance Sheet Commitments” at their market value at the rate used in the portfolio.

Conditional hedges are converted into their underlying equivalents.

Swap commitments are stated at their nominal value or at an equivalent amount, where there is no nominal value.

Management fees:

Management fees are calculated at each valuation of the net assets. These fees are charged to the CIS's income statement.

The management fees are paid in full to the management company.

Management fees do not include transaction fees.

The fixed management fee rates applied are as follows:

- For unit A, the maximum rate applied is 1.40% including tax of net assets.
 - The management fee rate is 1.10% including tax of net assets excluding OPC METROPOLE Gestion.
 - The administrative management fee rate is 0.30% including tax of the net assets.

Allocation of amounts available for distribution

Definition of amounts available for distribution:

Amounts available for distribution correspond to:

Income:

Net income for the financial year shall be equal to the amount of interest, arrears, premiums and bonus payments, dividends, attendance fees and all income relating to the securities in the portfolio, increased by the income from any amounts held temporarily as cash or cash equivalents and reduced by management fees and interest on borrowings. Retained earnings are added to net income, plus or minus the balance of the income adjustment account.

Capital gains and losses:

Realised capital gains, net of costs, less realised capital losses, net of costs, posted over the financial year, plus any similar net capital gains posted in previous financial years that have not been distributed or capitalised, plus or minus the balance of the capital gains adjustment account.

Breakdown of the allocation of amounts available for distribution:

<i>Share</i>	<i>Allocation of the net income</i>	<i>Allocation of the net realized gains and losses</i>
Share A	Accumulation	Accumulation

2. CHANGES IN NET ASSETS AT 12/31/2020 in EUR

	12/31/20	12/31/19
NET ASSETS IN START OF PERIOD	25,203,220.91	35,524,721.15
Subscriptions (including subscription fees received by the fund)	90,355.30	32,399.11
Redemptions (net of redemption fees received by the fund)	-3,039,579.44	-11,459,127.41
Capital gains realised on deposits and financial instruments	287,590.87	326,625.10
Capital losses realised on deposits and financial instruments	-358,735.54	-782,957.86
Capital gains realised on hedges	2,441,839.11	2,196,822.74
Capital losses realised on hedges	-1,597,489.00	-1,485,957.27
Dealing costs	-58,108.73	-112,283.90
Exchange gains/losses		1,137.87
Changes in difference on estimation (deposits and financial instruments)	803,489.79	984,571.01
<i>Difference on estimation, period N</i>	<i>1,005,965.52</i>	<i>202,475.73</i>
<i>Difference on estimation, period N-1</i>	<i>-202,475.73</i>	<i>782,095.28</i>
Changes in difference on estimation (hedges)	303,131.89	111,733.12
<i>Difference on estimation, period N</i>	<i>94,293.39</i>	<i>-208,838.50</i>
<i>Difference on estimation, period N-1</i>	<i>208,838.50</i>	<i>320,571.62</i>
Net Capital gains and losses Accumulated from Previous business year		
Distribution on Net Capital Gains and Losses from previous business year		
Net profit for the period, before adjustment prepayments	-179,092.16	-134,462.75
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	23,896,623.00	25,203,220.91

3. OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed-rate bonds traded on a regulated or similar market	1,051,356.20	4.40
Floating-rate bonds traded on regulated markets	740,499.50	3.09
Convertible bonds traded on a regulated or similar market	14,579,582.44	61.02
Autres obligations (indexées, titres participatifs)	2,565,082.05	10.73
TOTAL BONDS AND SIMILAR SECURITIES	18,936,520.19	79.24
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
Equities	5,473,050.78	22.90
TOTAL OTHERS OPERATIONS	5,473,050.78	22.90

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities	15,630,938.64	65.41			740,499.50	3.10	2,565,082.05	10.73
Credit instruments								
Temporary transactions in securities								
Financial accounts							2,034,141.38	8.51
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities	2,238,939.50	9.37	957,445.67	4.01	8,125,599.27	34.00	4,460,442.20	18.67	3,154,093.55	13.20
Credit instruments										
Temporary transactions in securities										
Financial accounts	2,034,141.38	8.51								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION CURRENCY

	Currency 1		Currency 2		Currency 3		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities								
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts								
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/31/20
RECEIVABLES		
TOTAL RECEIVABLES		
PAYABLES		
	Fixed management fees	82,325.57
TOTAL PAYABLES		82,325.57
TOTAL PAYABLES AND RECEIVABLES		-82,325.57

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Shares subscribed during the period	283,97450	90,355.30
Shares redeemed during the period	-9,482.65546	-3,039,579.44
Net Subscriptions/Redemptions	-9,198.68096	-2,949,224.14
Shares in circulation at the end of the period	68,500.54592	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/31/20
Underwriting commission	
Fixed management fees	304,417.90
Percentage set for fixed management fees	1.30
Variable management fees	
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTURE DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/31/20
Securities held under sell-back deals	
Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/31/20
Financial instruments pledged but not reclassified	
Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/31/20
Equities			
Bonds			
Notes			
UCITS			2,108,796.00
	FR0010695874	METROPOLE CORPORATE BONDS A	2,108,796.00
Hedges			
Total group financial instruments			2,108,796.00

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/31/20	12/31/19
Sums not yet allocated		
Brought forward		
Profit (loss)	-166,959.65	-118,872.63
Total	-166,959.65	-118,872.63

	12/31/20	12/31/19
Allocation		
Distribution		
Brought forward		
Capitalized	-166,959.65	-118,872.63
Total	-166,959.65	-118,872.63

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/31/20	12/31/19
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year		
Net Capital gains and losses of the business year	711,006.44	144,321.81
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	711,006.44	144,321.81

	12/31/20	12/31/19
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	711,006.44	144,321.81
Total	711,006.44	144,321.81

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PASTFIVE FINANCIAL PERIODS

	12/30/16	12/29/17	12/31/18	12/31/19	12/31/20
Net assets in EUR	92,410,108.51	75,991,985.06	35,524,721.15	25,203,220.91	23,896,623.00
Number of shares/units	269,255.00000	222,911.40362	113,247.27238	77,699.22688	68,500.54592
NAV per share/unit	343.20	340.90	313.69	324.36	348.85
Net Capital Gains and Losses Accumulated per share	-1.77	1.34	-17.62	1.85	10.37
Net income Accumulated on the result	3.60	0.82	-0.10	-1.52	-2.43

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Bonds and similar securities				
Listed bonds and similar securities				
BELGIUM				
UMICORE ZCP 23-06-25 CV	EUR	400,000	403,858.00	1.69
TOTAL BELGIUM			403,858.00	1.69
FRANCE				
ACCOR 0.7% 07-12-27 CV	EUR	13,900	727,366.15	3.05
EDF ZCP 14-09-24 CV	EUR	67,000	1,052,804.50	4.40
ELIS EX HOLDELIS ZCP 06-10-23	EUR	26,200	795,301.00	3.33
FRAN 0.875% 15-05-27 CV	EUR	5,400	768,185.10	3.21
NEX 0.125% 01-01-23 CV	EUR	4,100	257,592.75	1.08
OATE 1.1%10-25/07/2022 INDX	EUR	450,000	535,850.76	2.25
PUBFP 0 1/2 11/03/23	EUR	700,000	713,751.16	2.98
REMY COIN 0.125% 07-09-26	EUR	1,500	238,815.00	1.00
SAFRAN SA ZCP 21-06-23 CV	EUR	5,000	754,510.00	3.15
UNIBAIL RODAMCO ZCP 01/01/22	EUR	2,100	725,081.70	3.04
VEOLIA ENVIRONNEMENT ZCP 01-01-25	EUR	22,000	677,732.00	2.84
TOTAL FRANCE			7,246,990.12	30.33
GERMANY				
CONTINENTAL 2.5% 27-08-26 EMTN	EUR	300,000	337,605.04	1.42
FRESENIUS SE ZCP 31-01-24	EUR	1,000,000	980,295.00	4.10
MTU AERO ENGINES GMBH 0.05% 18-03-27	EUR	500,000	517,079.76	2.16
RAG STIFTUNG ZCP 02-10-24 CV	EUR	500,000	503,847.50	2.10
RAG STIFTUNG ZCP 17-06-26 CV	EUR	500,000	565,042.50	2.37
TOTAL GERMANY			2,903,869.80	12.15
ITALY				
ENI ZCP 13-04-22 EMTN	EUR	600,000	599,430.00	2.51
PRYSMIAN ZCP 17-01-22	EUR	500,000	510,985.00	2.14
SNAM ZCP 20-03-22	EUR	400,000	422,180.00	1.77
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	EUR	900,000	900,493.58	3.76
TOTAL ITALY			2,433,088.58	10.18
NETHERLANDS				
KONINKLIJKE AHOLD DELHAIZE NV E3R+0.18% 19-03-21	EUR	740,000	740,499.50	3.10
TOTAL NETHERLANDS			740,499.50	3.10
SPAIN				
AMADEUS CM 1.5% 09-04-25 CV	EUR	600,000	841,905.20	3.52
INTL CONSOLIDATED AIRLINES GROU 0.625% 17-11-22	EUR	900,000	838,637.70	3.51
SPAIN IL BOND 0.15% 30-11-23	EUR	1,000,000	1,071,785.62	4.48
SPAIN IL BOND 0.3% 30-11-21	EUR	900,000	957,445.67	4.01
TELE ZCP 09-03-21 EMTN	EUR	1,500,000	1,498,440.00	6.27
TOTAL SPAIN			5,208,214.19	21.79
TOTAL Listed bonds and similar securities			18,936,520.19	79.24
TOTAL Bonds and similar securities			18,936,520.19	79.24

Name of security	Currency	Quantity	Market value	% Net Assets
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
METROPOLE CORPORATE BONDS A	EUR	7,050	2,108,796.00	8.83
TOTAL FRANCE			2,108,796.00	8.83
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			2,108,796.00	8.83
TOTAL Collective investment undertakings			2,108,796.00	8.83
Hedges				
Commitments with conditional terms				
Commitments with conditional terms on regulated market				
ALLIANZ SE-VINK 12/2021 CALL 220	EUR	60	42,900.00	0.17
ARCELORMITTAL 12/2021 CALL 24	EUR	800	138,400.00	0.58
AXA 09/2021 CALL 20	EUR	310	35,030.00	0.14
BASF SE 12/2021 CALL 68	EUR	180	70,020.00	0.29
BMW 12/2021 CALL 86	EUR	100	27,400.00	0.11
BNP PARIBAS 12/2021 CALL 50	EUR	200	39,200.00	0.16
CONTINENTAL AG O.N. 12/2021 CALL 140	EUR	65	51,415.00	0.22
COVESTRO AG 09/2021 CALL 56	EUR	150	35,250.00	0.15
HEIDELBERGER ZEMENT 12/2021 CALL 68	EUR	160	67,520.00	0.28
INTESA SANPAOLO 12/2021 CALL 2.2	EUR	660	44,484.00	0.19
PUBLICIS GROUPE SA 12/2021 CALL 45	EUR	200	51,200.00	0.22
ROYA DUTC SHEL-A 12/2021 CALL 16	EUR	520	59,280.00	0.24
SAINT-GOBAIN 06/2021 CALL 40	EUR	240	40,800.00	0.18
SIEMENS AG-REG 12/2021 CALL 125	EUR	33	47,817.00	0.20
SOCIETE GENERALE SA 12/2021 CALL 20	EUR	400	49,600.00	0.21
TOTAL SE 12/2021 CALL 41	EUR	300	39,600.00	0.17
UNICREDIT SPA 12/2021 CALL 11	EUR	250	18,825.00	0.08
VOLKSWAGEN-PREF 09/2021 CALL 180	EUR	50	40,750.00	0.17
TOTAL Commitments with conditional terms on regulated market			899,491.00	3.76
TOTAL Commitments with conditional terms			899,491.00	3.76
TOTAL Hedges			899,491.00	3.76
Payables			-82,325.57	-0.34
Financial accounts			2,034,141.38	8.51
Net assets			23,896,623.00	100.00

Share A	EUR	68,500.54592	348.85
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