

# CENTIFOLIA

FRENCH VALUE EQUITIES



## Investment objective

The investment objective is to seek to outperform the CAC 40 index calculated on the basis of dividends reinvested over the recommended investment period, in particular by selecting stocks meeting socially responsible investment criteria.

To achieve its investment objective, the investment strategy is based on active discretionary management.

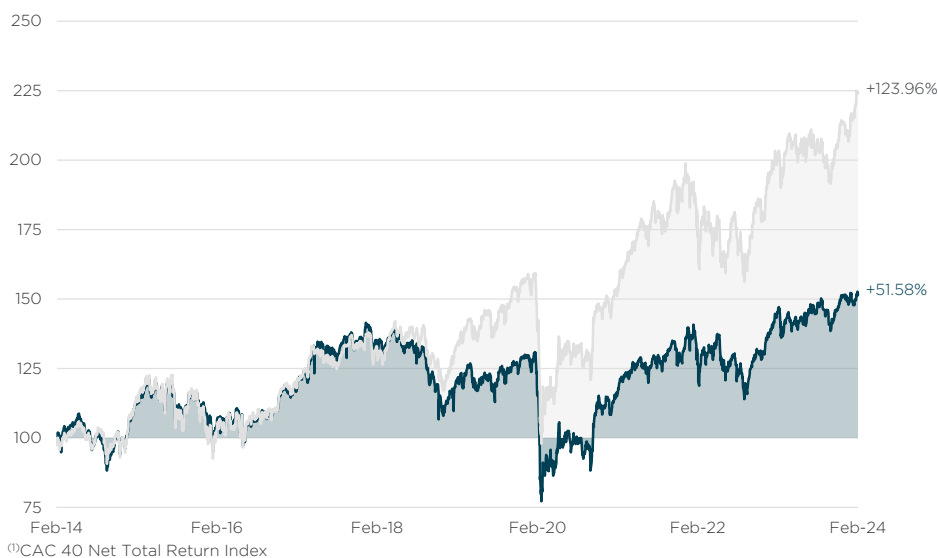
## Financial characteristics

NAV (€)	281.59
Net assets (€M)	909
Number of equities holdings	38
Average market cap. (€Bn)	41
Price to Earning Ratio 2024 <sup>e</sup>	8.9x
Price to Book 2023	1.0x
EV/EBITDA 2024 <sup>e</sup>	4.6x
ND/EBITDA 2023	0.8x
Free Cash Flow yield 2024 <sup>e</sup>	9.39%
Dividend yield 2023 <sup>e</sup>	4.38%

## Performance (from 28/02/2014 to 29/02/2024)

Past performance is not a guarantee of future performance

▲ CENTIFOLIA (D Share) Cumulative performance ▲ Reference Index<sup>(1)</sup>



## Annualised performances and volatilities (%)

	1 year	2 years	5 years	10 years	Since inception
D Share	+4.27	+7.81	+4.59	+4.24	+6.91
Reference Index	+11.63	+11.66	+10.89	+8.39	+7.75
D Share - volatility	11.94	14.80	19.60	17.40	17.57
Reference Index - volatility	13.55	17.74	20.60	19.04	21.53

## Cumulative performances (%)

	1 month	YTD	1 year	2 years	5 years	10 years
D Share	-0.29	+0.45	+4.27	+16.25	+25.19	+51.58
Reference Index	+3.54	+5.20	+11.63	+24.72	+67.74	+123.96

## Calendar year performances (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
D Share	+16.02	-1.48	+19.35	-15.82	+15.32	-17.20	+14.38	+4.64	+13.27	+6.32
Reference Index	+19.26	-7.37	+31.07	-5.57	+29.24	-8.88	+11.69	+7.67	+10.92	+1.73

## Risk indicator

	1 year	3 years	5 years	10 years
Sharpe Ratio	0.36	0.65	0.23	0.24
Tracking error	6.42%	8.71%	8.06%	7.02%
Correlation coefficient	0.88	0.86	0.92	0.93
Information Ratio	-1.15	-0.50	-0.78	-0.59
Beta	0.78	0.75	0.88	0.85



Synthetic risk indicator according to PRIIPS. 1 corresponds to the lowest level and 7 to the highest level.

**Main risks:** equity risk, risk relating to small-cap equity investments, risk relating to discretionary management, risk of capital loss, risk related to exchange rate, interest-rate risk, credit risk, risk related to investing in speculative securities, specific Risks linked to Convertible, Exchangeable and Mandatory Convertible Bonds, sustainability risk

## Main positions\*

	Weight
TOTALENERGIES SE (4.1)	9.08%
SANOFI (5.2)	8.11%
COMPAGNIE DE SAINT GOBAIN (5.7)	5.79%
BNP PARIBAS (4.1)	5.48%
BOUYGUES SA (5.3)	5.22%
SOPRA STERIA GROUP (5.5)	5.20%
ORANGE (4.3)	4.90%
CREDIT AGRICOLE SA (6.2)	4.54%
SOCIETE GENERALE SA (3.5)	4.44%
STMICROELECTRONICS NV (6.6)	4.13%
	<b>56.89%</b>

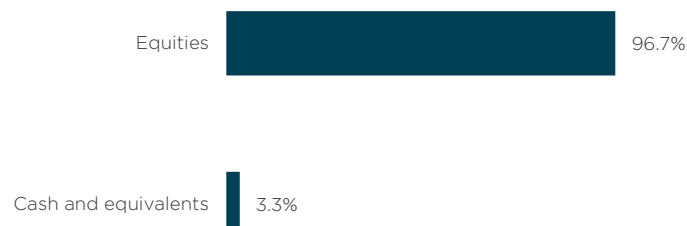
## Monthly performance contributions

Past performance is not a guarantee of future performance

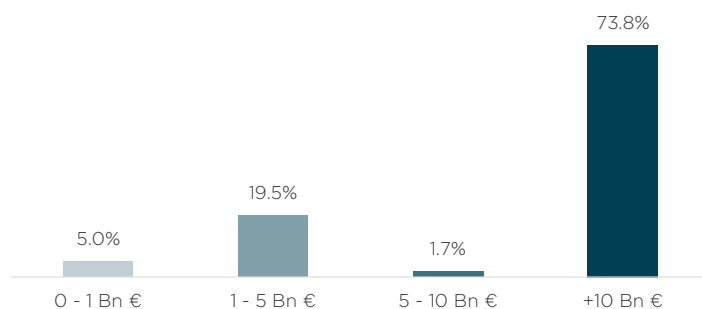
Best	Weight	Contribution
COMPAGNIE DE SAINT GOBAIN	5.79%	+0.44%
SOPRA STERIA GROUP	5.20%	+0.42%
BOUYGUES SA	5.22%	+0.37%
MICHELIN (CGDE)	3.46%	+0.35%
PUBLICIS GROUPE	3.55%	+0.17%

Worst	Weight	Contribution
BNP PARIBAS	5.48%	-0.71%
SANOFI	8.11%	-0.50%
SOCIETE GENERALE SA	4.44%	-0.30%
CREDIT AGRICOLE SA	4.54%	-0.29%
ORANGE	4.90%	-0.18%

## Asset class breakdown



## Market Cap breakdown



## Sector breakdown (ICB)

	Fund	Index
Banks	14.5%	5.2%
Construction and Materials	13.8%	5.7%
Technology	9.7%	5.1%
Energy	9.7%	8.1%
Health Care	8.1%	9.3%
Industrial Goods and Services	7.8%	18.9%
Media	7.3%	1.6%
Food, Beverage and Tobacco	5.7%	3.8%
Telecommunications	5.7%	1.1%
Automobiles and Parts	5.0%	4.9%
Utilities	2.2%	2.5%
Insurance	1.9%	3.5%
Personal Care, Drug and Grocery	1.2%	0.5%
Retail	1.2%	-
Basic Resources	1.2%	0.7%
Consumer Products and Services	1.0%	23.3%
Chemicals	0.8%	5.4%
Cash and equivalents	3.3%	N/A

## Country breakdown

	Fund	Index
France	92.6%	89.7%
Netherlands	4.1%	9.6%
Cash and equivalents	3.3%	N/A

## Changes to portfolio holdings\*

In: None

Out: None

\*The figure between brackets represents the issuer's 'responsibility' score. Please refer to the Internal Extra-financial analysis page for the analysis methodology.

## Portfolio managers comments

The results season confirmed the resilience of French companies despite the slowdown in European growth. Generally a little better than expected, these results are supporting the European indices and the Paris Bourse in particular. The CAC40 climbed to 7,927 points after setting a new record during the month. At the same time, the US economy remains vigorous, with buoyant consumer spending and a solid job market. The markets are now anticipating a slower-than-expected rate cut, with the most likely scenario being a 0.25% cut in the ECB's key rates in June.

Since the start of the year, Centifolia's net asset value has risen by 0.45% compared with 5.2% for the CAC40NR. Reactions to the results published in February led to chaotic movements in the stocks in the portfolio. Note the falls in French banks and Sanofi following disappointing figures, and the rises in Michelin, Renault, Coface and TF1 in response to better-than-expected earnings.

Among the movements of the month, the fund continued to strengthen its positions in stocks recently added to the selection: Bénéteau and Teleperformance. Conversely, Centifolia reduced its weighting on Ipsos, Rexel, Technip Energies and Thales. Valuation ratios remain modest, with a PER24 of 8.89x for a 60/40 portfolio split between cyclical, financial and oil stocks and defensive stocks (including cash).

After the sharp rise of the last four months, sentiment indicators look tense and investors well invested. Moreover, the concentration of performance in a few stocks is a factor of vulnerability. Conversely, Centifolia has played little part in the recent uptrend, and its undervaluation has become more pronounced. In the short term, there are no plans to change the portfolio's exposure other than marginally, in order to take full advantage of future dividend flows (portfolio yield 4.38%).

Text completed on 07/03/2024.



Jean-Charles  
Meriaux



Damien  
Lanternier, CFA



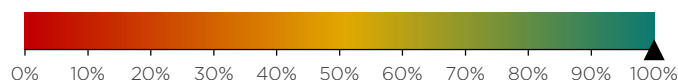
Adrien  
Le Clairche



Emilie  
Brunet-Manardo

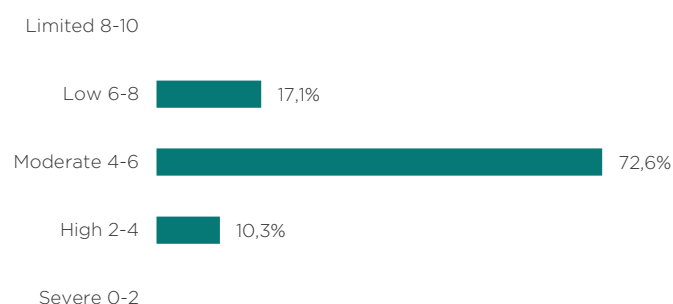
## Internal extra-financial analysis

### ABA coverage rate<sup>+</sup> (100%)



**Average Responsibility Score: 5.1/10**

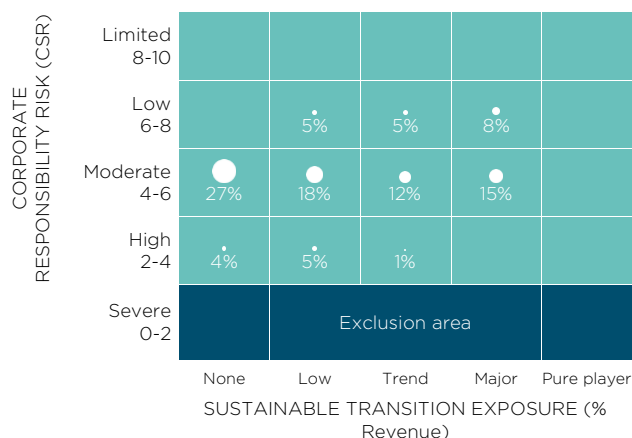
### Responsibility risk breakdown<sup>(1)</sup>



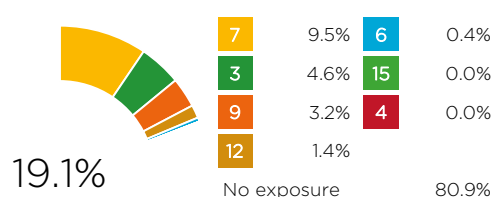
### Selectivity universe exclusion rate



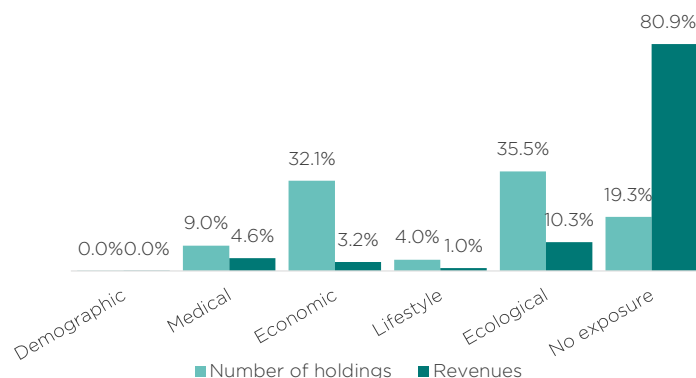
### Transition/CSR exposure<sup>(2)</sup>



### SDG's exposure<sup>(3)</sup> (% of revenues)



### Sustainable transitions exposure<sup>(4)</sup>



## Analysis methodology

We develop proprietary models based on our expertise and conviction to add tangible value in the selection of portfolio securities. DNCA's ESG analysis model, Above & Beyond Analysis (ABA), respects this principle and offers a rating that we control the entire construction. Information from companies is the main input to our rating. The methodologies for calculating ESG indicators and our responsible investor and engagement policy are available on our website [by clicking here](#).

<sup>(1)</sup> The rating out of 10 integrates 4 risks of responsibility: shareholder, environmental, social and societal. Whatever their sector of activity, 24 indicators are evaluated, such as social climate, accounting risks, suppliers, business ethics, energy policy, quality of management.

<sup>(2)</sup> The ABA Matrix combines the Responsibility Risk and the Sustainable Transition exposure of the portfolio. It allows us to map companies to be mapped using a risk/opportunity approach.

<sup>(3)</sup> 1 No poverty. 2 Zero hunger. 3 Good health and well-being. 4 Quality education. 5 Gender equality. 6 Clean water and sanitation. 7 Clean and affordable energy. 8 Decent work and economic growth. 9 Industry, innovation and infrastructure. 10 Reduced inequalities. 11 Sustainable cities and communities. 12 Sustainable consumption and production. 13 Tackling climate change. 14 Aquatic life. 15 Terrestrial life. 16 Peace, justice and effective institutions. 17 Partnerships to achieve the goals.

<sup>(4)</sup> 5 transitions based on a long-term perspective of the financing of the economy allow the identification of activities with a positive contribution to sustainable development and to measure the exposure of companies in terms of turnover as well as exposure to the UN Sustainable Development Goals.

\*The coverage rate measures the proportion of issuers (equities and corporate bonds) taken into account in the calculation of the extra-financial indicators. This measure is calculated as a % of the fund's net assets adjusted for cash, money market instruments, derivatives and any vehicle outside the scope of "listed equities and corporate bonds".

## Principal Adverse Impacts

PAI	Unit	Fund		Ref. Index	
		Coverage	Value	Coverage	Value
PAI Corpo 1_1 - Tier 1 GHG emissions	T CO <sub>2</sub>	91%	48,611	100%	61,602
PAI Corpo 1_2 - Tier 2 GHG emissions	T CO <sub>2</sub>	91%	11,810	100%	19,075
PAI Corpo 1_3 - Tier 3 GHG emissions	T CO <sub>2</sub>	91%	485,055	100%	585,761
PAI Corpo 1T - Total GHG emissions	T CO <sub>2</sub>	91%	542,170	100%	666,804
PAI Corpo 2 - Carbon footprint	T CO <sub>2</sub> /EUR million invested	91%	597	100%	749
PAI Corpo 3 - GHG intensity	T CO <sub>2</sub> /EUR million sales	91%	834	100%	1,235
PAI Corpo 4 - Share of investments in companies active in the fossil fuel sector		11%	9%	10%	10%
PAI Corpo 5 - Share of non-renewable energy consumption and production		91%	77%	99%	69%
PAI Corpo 6_TOTAL - Energy consumption intensity by sector with high climate impact NACE	GWh / EUR million sales	91%	0.4	99%	0.6
PAI Corpo 7 - Activities with a negative impact on biodiversity-sensitive areas		2%	0%	0%	0%
PAI Corpo 8 - Water discharges	T Water Emissions	6%	12	5%	9
PAI Corpo 9 - Hazardous or radioactive waste ratio	T Hazardous Waste	43%	530,929	63%	273,920
PAI Corpo 10 - Violations of UNGC and OECD principles		91%	0%	100%	1%
PAI Corpo 11 - Lack of UNGC and OECD compliance processes and mechanisms		91%	5%	100%	4%
PAI Corpo 12 - Unadjusted gender pay gap		49%	15%	40%	12%
PAI Corpo 13 - Gender diversity in governance bodies		91%	46%	100%	44%
PAI Corpo 14 - Exposure to controversial weapons		91%	0%	100%	0%
PAI Corpo OPT_1 - Water use	m <sup>3</sup> /EUR mln sales	7%	1	2%	0
PAI Corpo OPT_2 - Water recycling		2%	0%	0%	
PAI Corpo OPT_3 - Number of days lost due to injury, accident, death or illness		54%	313	56%	108

Source : MSCI

**Administrative information**

**Name:** Centifolia  
**ISIN code (Share D):** FR0000988792  
**SFDR classification:** Art.8  
**Inception date:** 04/10/2002  
**Investment horizon:** Minimum 5 years  
**Currency:** Euro  
**Country of domicile:** France  
**Legal form:** FCP  
**Reference Index:** CAC 40 Net Total Return Index  
**Valuation frequency:** Daily  
**Management company:** DNCA Finance

**Portfolio Managers:**

Jean-Charles MERIAUX  
 Damien LANTERNIER, CFA  
 Adrien LE CLAINCHE  
 Emilie BRUNET-MANARDO

**Minimum investment:** None  
**Subscription fees:** 2% max  
**Redemption fees:** -  
**Management fees:** 2.39%  
**Ongoing charges as of 30/06/2022:** 2.47%  
**Performance fees:** 20% of the positive performance net of any fees above the index: CAC 40 NR

**Custodian:** CIC  
**Settlement:** T+2  
**Cut off:** 12:30 Paris time

**Legal information**

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Past performance is not a reliable indicator of future performance.

CENTIFOLIA, a French mutual fund domiciled at 19 place Vendôme 75001 Paris, complies with Directive 2009/65/EC.

DNCA Finance is a limited partnership (Société en Commandite Simple) approved by the Autorité des Marchés Financiers (AMF) as a portfolio management company under number GP00-030 and governed by the AMF's General Regulations, its doctrine and the Monetary and Financial Code. DNCA Finance is also a Non-Independent Investment Advisor within the meaning of the MIFID II Directive. DNCA Finance - 19 Place Vendôme-75001 Paris - e-mail: [dnca@dnca-investments.com](mailto:dnca@dnca-investments.com) - tel: +33 (0)1 58 62 55 00 - website: [www.dnca-investments.com](http://www.dnca-investments.com).

Any complaint may be addressed, free of charge, either to your usual contact (within DNCA Finance or within a delegate of DNCA Finance), or directly to the Head of Compliance and Internal Control (RCCI) of DNCA Finance by writing to the company's head office (19 Place Vendôme, 75001 Paris, France).

This Fund is being marketed as a public offering in Luxembourg. You can contact the DNCA Finance branch:

DNCA Finance Luxembourg Branch - 1 Place d'Armes - L-1136 Luxembourg

This product promotes environmental or social characteristics, but does not have as its objective a sustainable investment. It might invest partially in assets that have a sustainable objective, for instance qualified as sustainable according to the EU classification.

This product is subject to sustainability risks as defined in the Regulation 2019/2088 (article 2(22)) by environmental, social or governance event or condition that, if it occurs, could cause an actual or a potential material negative impact on the value of the investment.

If the portfolio investment process can incorporate ESG approach, the portfolio's investment objective is not primarily to mitigate this risk. The sustainability risk management policy is available on the website of the Management Company.

The reference benchmark as defined in the Regulation 2019/2088 (article 2(22)) does not intend to be consistent with the environmental or social characteristics promoted by the fund.

## Glossary

**Beta.** Measures the average extent to which a fund moves relative to the broader market. The beta of a market is 1. A fund with a beta of more than 1 moves on average to a greater extent than the market. A fund with a beta of less than 1 moves on average to a lesser extent. If beta is a minus number, it is likely that the stock and the market move in opposite directions.

**Correlation coefficient.** The correlation coefficient is a measure of correlation. It is used to determine the relationship between two assets over a given period. A positive coefficient means that the two assets move in the same direction. Conversely, a negative coefficient means that the assets move in the opposite direction. The correlation or decorrelation can be more or less strong and varies between -1 and 1.

**Dividend yield.** Annual dividends per share / Price per share

**EV (Enterprise Value).** Market value of common stock + market value of preferred equity + market value of debt + minority interest - cash and investments.

**ND/EBITDA (Net Debt / EBITDA).** A measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. The net debt to EBITDA ratio is a debt ratio that shows how many years it would take for a company to pay back its debt if net debt and EBITDA are held constant.

**P/B.** The Price to Book Ratio is the ratio of the market value of equity (market capitalisation) to its book value. It is used to compare the market valuation of a company with its book value.

**P/CF (Share price/Cash Flow per Share).** The price-to-cash-flow ratio is an indicator of a stock's valuation.

**PER (Price Earnings Ratio).** A company's share price divided by the amount of profits it makes for each share in a 12-month period. PE ratios are normally calculated on the base of all the profit made in the period, whether or not the profit is paid out to shareholders in that period.

**ROE (Return On Equity).** The amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

**Sharpe Ratio.** A way of measuring the historical risk-adjusted return on an investment. It is the average previous return minus the risk-free return, divided by the standard deviation (a measure of risk that looks at the diversion of actual returns from expected returns).

**Sharpe Ratio.** The Sharpe ratio measures the excess return over the risk-free money rate of an asset portfolio divided by the standard deviation of that return. It is therefore a measure of the marginal return per unit of risk. It is used to measure the performance of managers with different risk policies.

**Tracking error.** Tracking Error is a measure of how closely an investment portfolio follows the index against which it is benchmarked. It is the difference in the return earned by a portfolio and the return earned by the benchmark against which the portfolio is constructed. For example, if a bond portfolio earns a return of 5.15% during a period when the portfolio's benchmark (say, for example, the Lehman Brothers Index) produces a return of 5.06%, the tracking error is .09%, or 9 basis points.