



Monthly Report

At 31 August 2022



FRENCH LAW REAL ESTATE UCITS

1. FUND OBJECTIVE

The FCP's objective is to implement discretionary management to outperform, via exposure to European Union real estate shares and and by reconciling financial and extra-financial performance, the FTSE EPRA / NAREIT Euro Zone Capped benchmark. Net dividends re-invested after deduction of management fees over the duration of the recommended investment (over 5 years).

2. MANAGEMENT NOTE

PATIENCE IS THE MOTHER OF ALL VIRTUES

Central banks in major industrialised countries remain primarily focused on countering pressure on prices and tightening funding conditions at a sustained rate. Against the backdrop of economic slowdown, particularly in Europe, the interest rate cuts anticipated by financial markets during the first half of the month therefore failed to materialise. Following a robust recovery, real estate companies accordingly fell back once again, coming close to the annual low reached in late June. Sofidy Sélection 1 outperformed its benchmark index by falling only 22.5% since the beginning of the year (P Unit) compared to a 23.7% decline in the benchmark index.

We are convinced that real estate companies will be able to bounce back, having globally posted excellent half-year results showing the initial effects of indexation and the resilience of expert asset valuations.

Thanks to considerable cash reserves (8.3% at the end of August), we are trying to take advantage, in a disciplined manner, of the falling prices of some securities distinguished by strong balance sheets, resilient dividends (4.1% gross yield on 2021 dividends for your Fund) and excessive risk premiums.

The stabilising of funding conditions, which will be inevitable over the following months as inflation slows, will result in a strong upturn in listed real estate companies, bolstered by the strong structural resistance of their activities and the excessive divergence between physical investment markets and share prices.

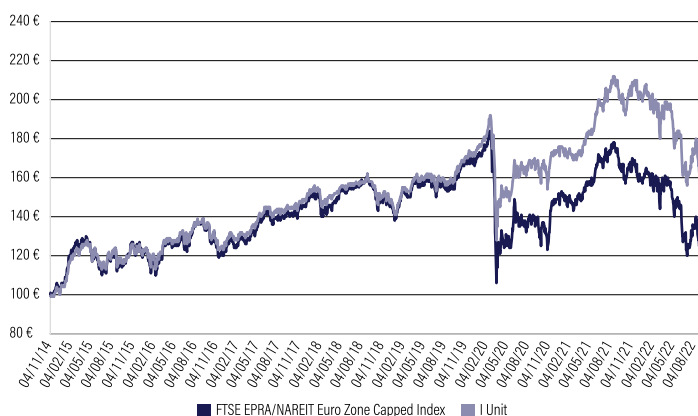
It is worth noting that Unibail Rodamco Westfield (6.5% implicit yield on assets at current prices), which remains the primary position of your Fund, sold the Santa Anita shopping centre in California on 25 August this year for USD 540 million (own share USD 265 million) to a private investor with a capitalisation rate below 6%. This is the biggest transaction to take place in this segment in the United States since 2018 and shows that real estate investment remains strong, mainly driven by buyers who regularly collect savings and/or with low levels of debt.

*Past performance is no guarantee of future performance

Laurent Saint Aubin - Written 05/09/2022

3. PERFORMANCE OF THE FUND*

At 31 August 2022 | base 100 at 4 November 2014



*Past performance is no guarantee of future performance, and performance is not consistent over time.



Laurent Saint Aubin
Manager of Sofidy
Sélection 1

MAIN CHARACTERISTICS

Management company	SOFIDY SAS	
Manager	Laurent Saint Aubin	
Creation date	November 2014	
Legal nature	FCP	
ISIN code	P Share	FR0011694256
	C Share	FR0013349297
	I Share	FR0011694264
	GI Share	FR0013349289
Asset sub-class	Thematic	
Reference index	FTSE EPRA/NAREIT Euro Zone Capped	
Investment horizon	> 5 years	
Risk scale	Parts P, I, C et GI	
	1	2 3 4 5 6 7

Life insurance eligible	Yes
PEA (Equity Savings Plan) eligible	No

PERFORMANCE ANALYSIS*

Over 12 rolling months	Index	I Unit	P Unit	GI Unit	C Unit
Performance	-29.3%	-22.9%	-23.7%	-22.7%	-23.1%
Volatility	23.6%	20.3%	20.3%	20.3%	20.3%
Sharpe ratio	-	-1.10	-1.14	-1.09	-1.11
Tracking error (relative risk)	-	5.6%	5.6%	5.6%	5.6%
Alpha	-	1.9%	1.1%	2.1%	1.7%
Beta	-	0.84	0.84	0.84	0.84

*Past performance is no guarantee of future performance

WARNING - RISK: since the FCP invests in a sector, it is also subject to sector-based risks. The details of these risks are described in the key investor information document and the fund prospectus

4. PERFORMANCE HISTORY

	Since start ⁽¹⁾	2017	2018	2019	2020	2021	Jan. 22	Feb. 22	Mar. 22	Apr. 22	May 22	June 22	July 22	Aug. 22	Sept. 22	Oct. 22	Nov. 22	Dec. 22	2022 YTD
P Unit	+49.1 %	+16.3%	-8.8%	+22.7%	0.0%	+15.0%	-2.4%	-2.2%	-0.7%	-2.8%	-4.2%	-13.6 %	+10.4 %	-7.9 %					-22.5 %
Index	+23.6 %	+17.6%	-7.5%	+22.2%	-10.9%	+6.4%	-0.1%	-1.6%	-0.5%	-5.1%	-2.0%	-16.3 %	+10.2 %	-9.1 %					-23.7 %
VL (€)	100.00	149.53	136.43	167.41	167.40	192.45	187.77	183.64	182.29	177.13	169.71	146.66	161.88	149.12					149.12
I Unit	+61.3 %	+17.5%	-7.8%	+23.8%	+0.1%	+17.6%	-2.3%	-2.1%	-0.6%	-2.7%	-4.1%	-13.5 %	+10.5 %	-7.8 %					-21.9 %
Index	+23.6 %	+17.6%	-7.5%	+22.2%	-10.9%	+6.4%	-0.1%	-1.6%	-0.5%	-5.1%	-2.0%	-16.3 %	+10.2 %	-9.1 %					-23.7 %
VL (€)	1,000.00	1,537.78	1,418.60	1,755.60	1,757.30	2,066.61	2,018.24	1,975.55	1,962.76	1,908.93	1,830.77	1,583.47	1,749.34	1,613.09					1,613.09
GI Unit	+3.0 %	n.a.	-9.9%	+24.1%	0.0%	+17.9%	-2.3%	-2.1%	-0.6%	-2.7%	-4.1%	-13.5 %	+10.5 %	-7.8 %					-21.8 %
Index	-21.5 %	n.a.	-11.2%	+22.2%	-10.9%	+6.4%	-0.1%	-1.6%	-0.5%	-5.1%	-2.0%	-16.3 %	+10.2 %	-9.1 %					-23.7 %
VL (€)	10 000,00	9,006.08	11,172.77	11,172.77	11,172.77	13,170.38	12,865.91	12,597.16	12,519.35	12,179.40	11,684.31	10,108.92	11,170.92	10,304.13					10,304.13
C Unit	+2.1 %	n.a.	-9.7%	+23.6%	0.0%	+17.3%	-2.4%	-2.1%	-0.7%	-2.8%	-4.1%	-13.5 %	+10.5 %	-7.8 %					-22.0 %
Index	-20.9 %	n.a.	-10.5%	+22.2%	-10.9%	+6.4%	-0.1%	-1.6%	-0.5%	-5.1%	-2.0%	-16.3 %	+10.2 %	-9.1 %					-23.7 %
VL (€)	100.00	90.32	111.60	111.59	111.59	130.95	127.86	125.14	124.31	120.88	115.91	100.24	110.72	102.08					102.08

(1) Since 04/11/2014.

(2) Since 26/07/2018.

(3) Since 19/07/2018.

MAIN LINES OF PORTFOLIO AT 31 AUGUST 2022

	Fund	Index
Unibail Rodamco	9.10 %	7.58 %
Klepierre	6.96 %	4.47 %
Vonovia	6.16 %	10.40 %
Gecina	4.58 %	6.89 %
WDP	4.35 %	6.30 %
Covivio	4.25 %	4.12 %
Aedifica	4.15 %	4.71 %
Merlin Properties	4.10 %	4.39 %
SEGRO	3.66 %	0.00 %
Mericalys	3.63 %	0.72 %

FEES AND COMMISSIONS

(Base 100 at 4 November 2014)

Management fee incl. tax	P Share	2.20%
	C Share	1.30%
	I Share	1.10%
	GI Share	0.75%
Maximum entry fee incl. tax*	P Share	Up to 4%
	C Share	Up to 4%
	I Share	Up to 3%
	GI Share	Up to 1%
Outperformance commission**		20%
Initial subscription	P Share	1 share
	C Share	1 share
	I Share	100 shares
	GI Share	100 shares

* No entry fee is received by the management company

** 20% incl. tax of the fund's outperformance, net of fees in relation to its reference index and in respect of the high water mark principle from 1 December 2020 onwards.

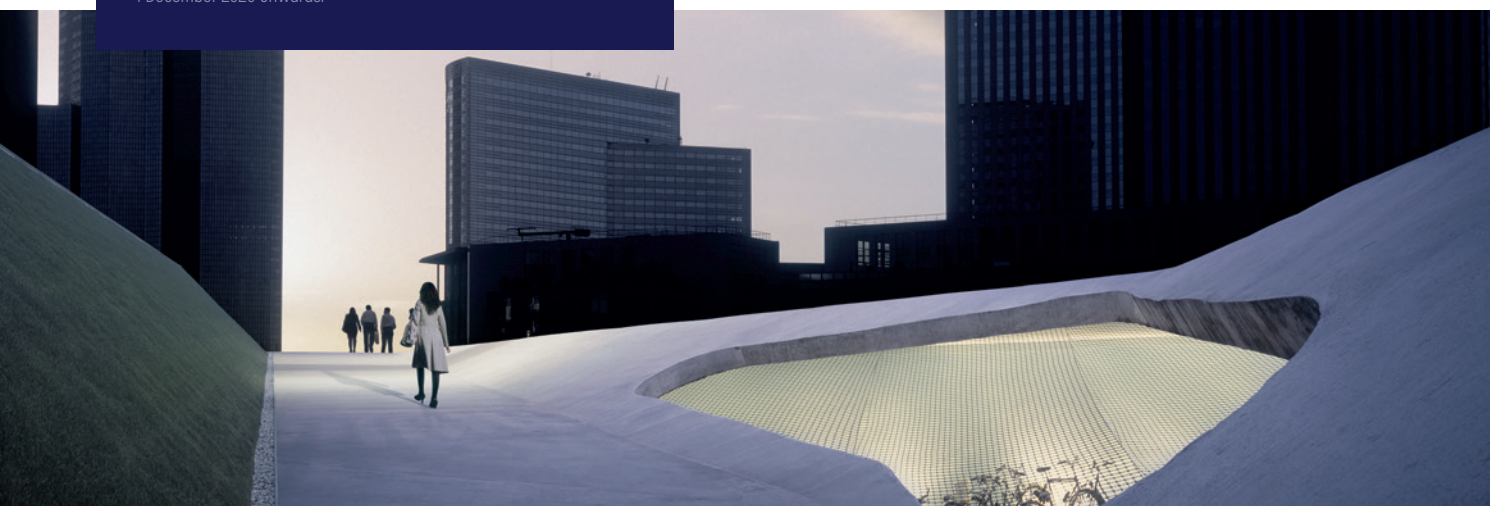
5. UCITS DATA AT 31 AUGUST 2022

	I Share	P Share	GI Share	C Share
Number of shares	8,854.1	430,974.3	6,062.0	34,966.9
Liquidating value (€)	1,613.09	149.12	10,304.13	102.08
Net assets (€)	144,584,845			

6. EXPOSURE OF THE PORTFOLIO AT 31 AUGUST 2022

Currencies (including cash)	Sectors ⁽¹⁾	Geographic location ⁽¹⁾
Euros	83 %	Retail 30 % Germany 19 %
Pound sterling	9 %	Housing 29 % France 22 %
US dollar	4 %	Offices 15 % Spain 11 %
Swedish krona	1 %	Logistics 15 % United Kingdom 10 %
Other	4 %	Other 11 % Other 38 %

(1) Distributions determined by the fund manager, breaking down the activity of the companies in the portfolio between the various sectors/geographical locations



ESG valuations of the issuers of the portfolio below are from our internal research using our proprietary analysis framework:

WEIGHTED AVERAGE ESG⁽¹⁾ RATINGS FOR SOFIDY SELECTION 1 FCP

Governance	22%
Social	55%
Environment	44%
ESG risk profile	38%



5 POSITIONS WITH THE BEST ESG RATING⁽¹⁾

	Governance	Social / Societal	Environment	ESG rating
Gecina	11%	9%	10%	10%
Merlin	9%	27%	2%	10%
SBB	11%	19%	10%	12%
Covivio	14%	5%	29%	18%
Big Yellow	9%	86%	5%	23%

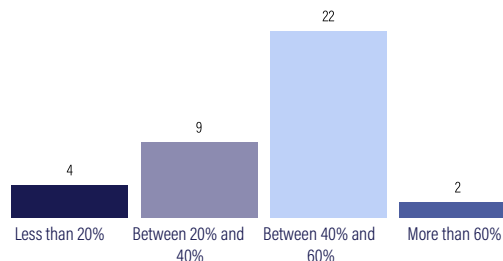
5 POSITIONS WITH THE WORST ESG RATING⁽¹⁾

	Governance	Social / Societal	Environment	ESG rating
Corestate	59%	100%	80%	76%
Demire	50%	73%	100%	75%
TAG	59%	24%	68%	56%
Inclusio	41%	48%	86%	60%
European Residential REIT	30%	62%	86%	59%

(1) The ESG rating determines the non-financial profile of companies (in terms of risks and opportunities). Shares whose current or anticipated ESG rating is above 80% are excluded from the investment scope (the lower the ESG rating, the better).

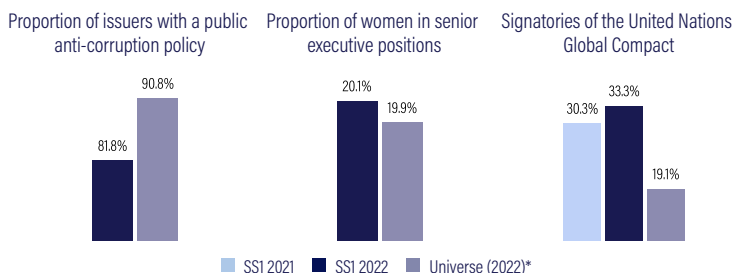
Reporting ESG

DISTRIBUTION OF ESG RATINGS⁽¹⁾ OF ISSUERS IN PORTFOLIO

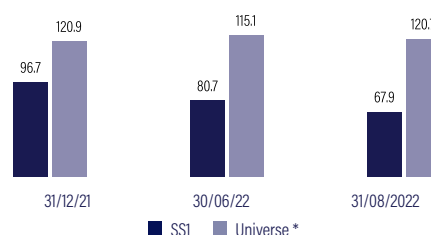


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IMPACT & CARBON FOOTPRINT MEASUREMENTS



The Weighted Average Carbon Intensity (scope 1 and 2, in tons CO₂e/€M sales)



Sources used: Sustainalytics, UN Global Compact database, annual reports and companies' websites.
*Thematic universe updated quarterly and made up of 1,775 shares at 30/06/2022. The coverage rate of the scope is 96.5% for signatories of the United Nations Global Compact, 72.0% for the proportion of women in senior executive positions and 83% for proportions of issuers with a public anti-corruption policy.

For more detailed information on our ESG assessment methodology, please refer to the SRI Transparency Code of the SOFIDY Sélection 1 fund.

Why not take risks, but knowing them well is better!

Non-contractual document. Past performance is no guarantee of the future performance of the OPCVM (real estate UCITS). Performances are not constant over time. As with any real estate UCITS, this fund is mainly exposed to the risk associated with equities markets, loss of capital, discretionary management, exchange rates and liquidity. Since the FCP invests in a sector, it is also subject to sector-based risks. The details of these risks are described in the key investor information document and the fund prospectus. This document is produced by SOFIDY for information purposes only. It in no way constitutes an offer to sell or a solicitation of a purchase, investment or arbitrage. SOFIDY believes the data and figures to be accurate and reliable as of 31/08/2022. SOFIDY shall not be liable for any decisions made on the basis of this information. SOFIDY reserves the right to modify the information presented in this document at any time, without notice. The characteristics, risk and return profile, and fees regarding investment in the SOFIDY Sélection 1 OPCVM are described in the key investor information document. The key investor information document, the prospectus and the periodic documents will be available on request from SOFIDY. You must make yourself familiar with the key investor information document, which should be given to you before you subscribe. Written in September 2022. SOFIDY SAS - Real estate funds management company since 1987 - 303, square des Champs Élysées - Évry Courcouronnes - 91026 ÉVRY Cedex Portfolio management company certified by the AMF on 10 July 2007 under the number GP07000042 - Tel.: +33(0)1 69 87 02 00 - Fax: +33(0)1 69 87 02 01 - www.sofidy.com



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