UCITS governed by the amended European Directive 2009/65/EC

PROSPECTUS

The shares or units of the UCITS mentioned herein ("the Fund") have not been registered under the US Securities Act of 1933 and may not be offered or sold directly or indirectly in the United States of America (including its territories and possessions), to US persons, as defined in Regulation S ("US persons").

1 GENERAL CHARACTERISTICS

Name

GROUPAMA CONVERTIBLES

Legal form and Member State in which the Fund was incorporated

French mutual fund (fonds commun de placement, FCP).

Formation date and planned term

29 February 1996

Fund initially formed for a 99-year term.

Summary of the management offer:

Unit	ISIN code	Eligible subscribers	Appropriation of distributable income	Currency of expression	Minimum initial subscription amount	Net asset value at launch
G unit (2)	FR0010890400	Reserved for Groupama Assurance Mutuelles' companies, subsidiaries and regional banks	Accumulation and/or distribution and/or retained	Euro	€300,000	€10,000
GMA unit	FR001400DHX0	Reserved for French companies and subsidiaries of Groupama Assurances Mutuelles	Accumulation and/or distribution and/or retained	Euro	€500,000	€20,000
IC unit (2)	FR0010301283	Reserved for Institutional Investors	Accumulation	Euro	One thousandth of a unit	€1,000
ID unit (1) (2)	FR0010213348*	Reserved for Institutional Investors	Distribution and/or retained	Euro	One thousandth of a unit	€1,524.49
M unit (3)	FR0010758755	Reserved for institutional investors excluding UCIs or mandates managed by Groupama Asset Management or its subsidiaries	Accumulation	Euro	One thousandth of a unit	€100
N unit	FR0010301317	Open to all subscribers	Accumulation	Euro	€500	€500
O unit (2)	FR0010890426	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries, and belonging to Opale range	Accumulation	Euro	One thousandth of a unit	€10,000
P unit	FR001400FW19	Reserved for institutional investors	Accumulation	Euro	One thousandth of a unit	€1,000
RC unit	FR0013286663	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients	Accumulation	Euro	One thousandth of a unit	€500
RD unit	FR0013356490	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients	Distribution and/or retained	Euro	One thousandth of a unit	€500

(1) Including all unitholders who subscribed to the Fund before different units were created.

(2) Including all subscriptions processed before 19/04/2017.

(3) Including all subscriptions processed before 13/11/2017.

Place where the latest annual report and interim financial statement may be obtained

Investors will be sent the Fund's latest annual reports and the composition of assets within eight working days of requesting them in writing from:

Groupama Asset Management, 25 rue de la Ville-l'Evêque, 75008 Paris, France.

These documents are also available on the company's website at www.groupama-am.com

Contact details:

For corporate and institutional investors: Groupama Asset Management's Business Development Department (sales office: +33 (0)1 44 56 76 76).

For individual investors: your distributor (Groupama Assurances Mutuelles' distribution networks and external distributors approved by Groupama Asset Management).

Additional information, if necessary, may be obtained from the Groupama Asset Management Business Development Department (sales office: +33 (0)1 44 56 76 76).

2 ADMINISTRATORS

Management company

Groupama Asset Management, 25 rue de la Ville-l'Evêque, 75008 Paris, France, a portfolio management company authorised by the *Commission des operations de bourse,* now superseded by the *Autorité des marchés financiers* (French financial markets authority - *AMF*) under number GP 93-02 on 5 January 1993.

Depositary – Custodian:

CACEIS Bank – 89-91 rue Gabriel Péri, 92120 Montrouge, France, a credit institution authorised by the CECEI (now the ACPR, the French Prudential Supervisory and Resolution Authority) on 1 April 2005.

The custodian's duties, as defined by the applicable regulations, include custody of the assets, checking that the management company's decisions are lawful and monitoring UCIs' cash flows.

The custodian is independent of the management company.

The description of the delegated custodial duties, the list of representatives and sub-representatives of CACEIS Bank and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: www.caceis.com.

Updated information is made available to investors upon request.

Clearing house for subscriptions/redemptions delegated by the management company

- **Groupama Asset Management**, for directly registered units.

Following collection of these orders, Groupama Asset Management will forward them to CACEIS Bank in its capacity as an affiliate of Euroclear France.

- And, by delegation of the management company, **CACEIS Bank** for bearer or administered registered units.

Institutions appointed to receive subscriptions and redemptions, and responsible for compliance with the clearing deadlines indicated in the prospectus, by delegation of the management company

CACEIS Bank, for bearer or administered registered units.

Fund accounting

CACEIS Bank is responsible for the UCI's fund accounting, covering the clearance of subscription and redemption orders for units of the UCI. It will process these orders in partnership with Euroclear France, with which the UCI is listed, and manage the UCI's unit issuance account for bearer or administered registered units.

Accounting representative

CACEIS Fund Administration 89-91 rue Gabriel Péri, 92120 Montrouge, France, a credit institution authorised by ACPR on 1 April 2005.

Statutory auditor

Deloitte & Associés, 6 Place de la Pyramide – 92909 Paris-La Défense – France.

Distributors

Groupama Assurances Mutuelles' distribution networks (8-10 Rue d'Astorg, 75008 Paris, France) and external distributors approved by Groupama Asset Management.

Conflict of interest management policy

In order to identify, prevent, manage and monitor conflicts of interest that result from delegations, the management company has implemented a conflict of interest management policy available on request from your usual advisor or on the Management Company's website www.groupama-am.com.

3 MANAGEMENT AND OPERATING PRINCIPLES

3.1 General characteristics

Characteristics of units

Type of right attached to the unit class:

Each unitholder has a shared ownership right in the Fund's assets in proportion to the number of units held.

Shareholder register and Fund accounting:

Fund accounting is provided by the custodian.

Unit administration is performed by Euroclear France.

Voting rights:

No voting rights are attached to the units, as decisions are made by the management company.

Types of unit:

Units are registered and/or bearer units.

Fractions:

Units may be subscribed or redeemed in exact amounts or in ten-thousandths of a unit for IC, ID, N and P units.

Units may be subscribed or redeemed in exact amounts or in thousandths of a unit for M, G, GMA, O and R units.

Financial year-end

The last Paris Stock Exchange trading day in March.

The first financial year-end was the last Paris Stock Exchange trading day in March 1997.

Tax system

The Fund is not subject to corporation tax. In accordance with the principle of transparency, the tax authorities consider the unitholder to be the direct owner of a share of the financial instruments and cash held in the Fund.

The tax treatment of any capital gains or income from holding Fund units depends on tax provisions specific to the unitholder's own particular circumstances and/or on the tax provisions in the country where the unitholder resides. Investors should seek professional financial advice.

The French tax system considers a switch from one unit class to another unit class to be a sale subject to capital gains tax.

3.2 Special provisions

ISIN codes of the unit classes:

G unit	FR0010890400
GMA unit	FR001400DHX0
IC unit	FR0010301283
ID unit	FR0010213348
M unit	FR0010758755
N unit	FR0010301317
O unit	FR0010890426
P unit	FR001400FW19
RC unit	FR0013286663
RD unit	FR0013356490

SFDR classification

This UCITS is a financial product that promotes environmental or social characteristics, or a combination of these characteristics, in accordance with Article 8 of the SFDR.

Investment in UCIs: up to 10% of net assets.

Management objective

The management objective is, through a discretionary active management style, to outperform the benchmark, the Refinitiv Eurozone EUR only currency index (closing price – coupons reinvested), principally through active management of convertible bonds in the eurozone.

This objective will be implemented via a managerial approach that promotes the sustainability of companies through an analysis of ESG (environmental, social and governance) characteristics of the underlying securities held in the portfolio.

Benchmark index

The benchmark is the Refinitiv Eurozone EUR only currency (closing price – coupons reinvested).

The Refinitiv Eurozone EUR only currency is an index made up of the principal convertible bonds in the eurozone, denominated in euros. The securities underlying the convertible bonds making up this index are all mainly listed in EMU countries. This index is denominated in euros, on the closing price, with coupons reinvested. It is available from the main bodies distributing information on market indices.

This index is only a reference. No mechanism to maintain any level of correlation with it is in place as part of the managerial approach implemented. Nevertheless, the behavioural profile of the portfolio and the index may be comparable in certain market configurations.

Investment strategy

Description of the strategies used:

- Overall Fund strategy

  The purpose of GROUPAMA CONVERTIBLES is to manage a portfolio of eurozone securities and, to a limit of 20% of the net assets, securities denominated in a currency other than the euro.

  At least 60% of its net assets will be invested in convertible or exchangeable bonds or synthetic bonds imitating the behaviour of convertible bonds. Management of the Fund essentially entails selecting portfolio securities.

  Exchange-rate risk arises from the fact that the UCITS may invest up to 20% of its net assets in securities denominated in foreign currencies. However, after currency hedging, it may not exceed 10%.

- Portfolio composition strategy

  It fulfils a dual approach in the selection of underlying assets and investment vehicles, and incorporates ESG (environmental, social and governance) criteria:

  - Consideration of ESG criteria:

    The Fund is committed to selecting the highest-rated issuers from an extra-financial perspective in the investment universe ("Best-in-universe"), with a particular focus on corporate governance.

    ESG criteria are analysed on the basis of various indicators, including:

    - Environment: Carbon footprint, green component (the percentage of the company's turnover that is generated by a technology/activity considered to promote energy and ecological transition);
    - Social: Net job creation, training hours;
    - Governance: the percentage of companies with a board of directors or supervisory board that is predominantly comprised of independent members.

    The UCITS' investment universe consists of all listed European companies from countries within the European Economic Area, the United Kingdom and Switzerland, with a quantitative ESG rating that has been calculated using a methodology implemented within Groupama Asset Management. This investment universe may change depending on variations in hedging.

    The UCITS' portfolio is constructed in accordance with a multi-stage management process:

    - Exclusion of controversial stocks:

      Companies on the "Major ESG risks" list are companies whose ESG risks could call into question their economic and financial viability, or could have a significant impact on the company's value and brand, thus resulting in a significant fall in market value or a significant downgrade by rating agencies.

    - Exclusion of sectors deemed to be incompatible with the ESG focus of the UCITS;
    - Exclusion in accordance with the management company's quantitative ESG filter:

      Groupama Asset Management has set up an ESG analysis methodology based on the pillars E (Environment), S (Social, societal) and G (governance).

      A final score specific to Groupama AM is calculated for each stock using a proprietary tool, Notes ESG.

      The investment universe is then divided into five quintiles, with each quintile representing 20% of the investment universe, in terms of number of stocks. The stocks rated as Quintile 1 represent the best ESG ratings within the investment universe, while the stocks rated as Quintile 5 represent the worst ratings.

      The stocks with the worst ratings according to the management company's quantitative ESG filter are excluded from the UCITS' portfolio (the worst-rated 20% of the underlying assets of the investment universe, classified as Quintile 5 according to a *"best-in-universe"* approach).

      The UCITS' exposure to stocks not rated by the management company's quantitative ESG filter will not exceed 10% of its net assets. Consequently, at least 90% of the UCITS' net assets will be analysed from a non-financial perspective, a maximum of 10% of which may be UCITS rated using an extra financial analysis methodology that differs from that of Groupama Asset Management.

- Exclusion in accordance with a quantitative liquidity filter:

  In addition to this quantitative ESG filter, the manager uses liquidity risk analysis criteria to conduct liquidity screening on the convertible bond pool.

This extra financial analysis is carried out solely on the underlying asset for all types of assets held in the portfolio (convertible bonds, conventional bonds, options, etc.). Derivatives that have no underlying asset but which are index-linked cannot be analysed using Groupama Asset Management's ESG methodology.

▪ Integration of the EU Taxonomy:

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the **EU Taxonomy** or the **Taxonomy Regulation**) aims to identify environmentally sustainable economic activities. It identifies these activities based on their contribution to six overarching environmental objectives:

- climate change mitigation,
- climate change adaptation,
- the sustainable use and protection of water and marine resources,
- the transition to a circular economy (waste, reduction and recycling),
- pollution prevention and mitigation, and
- the protection and restoration of biodiversity and ecosystems.

To be considered as sustainable, an economic activity must demonstrate that it makes a material contribution to achieving one of the six objectives, without prejudice to any of the other five (the "do no significant harm" principle, hereinafter the **DNSH** principle). The DNSH principle applies only to the underlying investments of the financial product that take account of the European Union's criteria for environmentally sustainable economic activities. For an activity to be considered aligned with the EU Taxonomy, it must also uphold the human and social rights enshrined in international law.

In its investment decisions, the management team shall endeavour to take into account the European Union's criteria for economic activities considered to be environmentally sustainable under the Taxonomy Regulation (EU) 2020/852. Based on the issuer data currently available, the minimum proportion of investments aligned with the EU Taxonomy is 0%.

The underlying investments of the remaining portion of this financial product do not take account of the European Union's criteria for environmentally sustainable economic activities.

▪ Selection of underlying assets:

This strategy aims to select eligible convertibles according to the appreciation potential of the convertible's underlying asset. In this respect, the manager systematically refers to the share selection process as implemented within Groupama Asset Management. This share selection is the result of a combined "bottom-up" and "top-down" approach.

Bottom-up approach: this is a progressively upward approach that starts by examining the intrinsic qualities of a company and its valuation.

Top-down approach: Fund managers start with the macroeconomic fundamentals of each region or country (i.e. unemployment rate, inflation level, GDP growth and interest rates) and progressively work down to the level of individual securities, having studied the potential of each economic sector beforehand.

Analysis of the underlying asset takes into consideration the intrinsic qualities of the company in an integrated financial and ESG analysis process that is specific to the management company. For ESG analysis, managers rely on the ESG classification described above and the quintile associated with the underlying asset. Given that the non-financial rating agencies do not conduct comprehensive monitoring that is sufficiently well-adapted to the convertible bond market (unlisted companies, public entities, frequent new issues, numerous issues by small- and mid- cap companies, etc.), the manager may invest in companies that fulfil the UCITS' objective, after having conducted a qualitative ESG analysis that is an integral part of Groupama Asset Management's existing process.

- Selection and technical analysis of convertible bonds:

  The manager selects securities in the portfolio according to their technical characteristics, and more specifically their risk profile. Analysis of the technical characteristics of convertible bonds is based on examination of their absolute and relative valuations, consideration of the technical characteristics specific to each convertible and analysis of their legal documentation.

- Management style

  The Fund will be actively managed in order to achieve performance corresponding to its management objective with regard to the risk criteria defined a priori, in accordance with the process.

  When implementing investment decisions, managers have genuine scope to express their personal talents in strict accordance with the general guidelines adopted in management committees.

- Methodological limitations:

  The ESG approach developed by Groupama Asset Management is centred around a quantitative and qualitative analysis of the environmental, social and governance practices of the stocks in which it is invested. The main limitation of this analysis relates to the quality of the available information. ESG data is not yet standardised, and our analysis is ultimately based on qualitative and quantitative data issued by the companies themselves, with some of this data being incomplete and non-homogeneous. To mitigate these limitations, Groupama Asset Management focuses its analysis on the most material aspects of the sectors and companies analysed.

  For more detailed information on the rating methodology implemented in the Fund and its limitations, investors are invited to read the Groupama Asset Management Transparency Code, which is available at www.groupama-am.com.

Assets, excluding derivatives

- Interest-rate instruments

  Between 60 and 100% of net assets will be invested in interest-rate instruments.

  - Legal types of instrument used:

    The UCITS invests at least 60% of its net assets in the convertible bonds asset unit:

    - Exchangeable convertible bonds (or equivalent),
    - Synthetic convertible bonds (or equivalent).

    In addition to the convertible bonds listed above, the Fund's assets may also be composed of fixed-rate bonds, EMTNs (euro medium-term notes), negotiable debt securities, inflation-linked variable-rate bonds, contingent convertible bonds (CoCo Bonds), securitisation vehicles and mortgage-backed securities.

    The UCITS may invest in contingent convertible bonds (CoCo bonds), issued by financial institutions, in order to achieve a potentially higher return linked to their subordination, in return for a higher risk.

    CoCo bonds are hybrid debt and equity products: they are issued as debt but are automatically converted into shares when the financial institution (in this case) is in difficulty. The bonds will therefore be converted into shares at a predetermined price, at the time when the triggering criteria (level of losses, downgraded level of capital and of equity capital ratios, downward price earning ratio, etc.) are activated.

    The UCITS may invest up to 10% of its net assets in CoCo bonds.

    The instruments used are mainly denominated in euros. Instruments denominated in a currency other than the euro are limited to 20% of net assets.

  - Selection criteria based on ratings agencies (excluding convertible bonds):

    These securities must have a minimum credit rating of BBB- (Standard & Poor's ratings agency or equivalent), or deemed equivalent by the management company. The Fund may, however, hold securities with a lower credit rating, which can make up no more than 25% of its net assets

The selection of issuers included in the portfolio by the manager is based on his/her own analysis of the credit risk of the selected instruments, which may be based on the expertise of the internal credit analysis team, in order to evaluate the risk of issuers in the portfolio and on credit ratings issued by external entities.

- Duration:

  The duration of the selected securities must also ensure that the overall sensitivity constraint is maintained at between 1 and 5.

- Equities

  Between 0% and 50% of the Fund’s net assets will be exposed to equities.

  If bonds held in the portfolio are converted or options held in the portfolio are exercised, the Fund may temporarily hold equities. The aim is to sell the equities resulting from these conversions or exercises of options as quickly as possible taking into account the most favourable market conditions.

  The overall exposure of the UCITS to equity risk arising from the allocation of shares, convertible bonds, forward financial instruments and other securities exposed to equity risk may be up to 50% of its net assets.

- Holding of shares or units of other UCITS, AIFs or foreign investment funds:

  The UCITS may invest up to 10% of its net assets in units or shares of French or other European UCITS funds.

  Money-market UCITS will be used to optimise the French mutual fund's cash management.

  These UCITS might be those managed directly or indirectly by Groupama Asset Management.

  External UCITS will be subjected to close review of their management procedures, performance, risk and any other qualitative or quantitative criteria that may enhance the quality of management in the short, medium or long term.

  The UCITS may invest in UCITS rated using an extra financial analysis methodology that differs from that of Groupama Asset Management.

  Trackers (listed-index entities) replicating trends in the equity or bond markets may be used.

Derivatives and securities with embedded derivatives

Derivatives transactions will total a maximum commitment of 100% of the Fund’s net assets.

The Fund may also invest up to 100% of its net assets in securities with embedded derivatives. The strategy for the use of securities with embedded derivatives is the same as that described for derivatives.

- Types of derivatives used

  The manager may trade in the derivatives and securities with embedded derivatives described in the table below:

Risks in which the manager intends to trade		**Types of markets targeted**			**Types of trade**			
Equity	X	Regulated	Organised	Over-the-counter	Hedging	Exposure	Arbitrage	Other
Interest-rate	X							
Exchange-rate	X							
Credit	X							
Derivatives used								
Futures								
- Equities		X	X		X	X		
- Interest-rates		X	X		X	X		
- Currencies		X	X		X	X		
Options								
- Equities		X	X	X	X	X		
- Interest-rates		X	X	X	X	X		
- Exchange-rates		X	X		X	X		
- ETFs		X	X	X	X	X		
Swaps								
- Equities								
- Interest-rates				X	X	X		
- Inflation								
- Exchange-rate				X	X	X		
- Total Return Swaps				X	X	X		
Forward currency contracts								
- Forward currency contracts				X	X	X		
Credit derivatives								
- Credit default swaps (single name)								
- Credit default swaps (multi-name)								
- Indices								
- Options on indices								
- Structuring for basket credit derivatives (CDO tranches, iTraxx tranches, FTD, NTD, etc.)								
Securities with embedded derivatives used								
Warrants								
- Equities		X	X	X		X		
- Interest-rates								
- Exchange-rates								
- Credit								
Subscription warrants								
- Equities*		X	X	X		X		
- Interest-rates								
Other								
- Structured EMTNs								
- Convertible bonds		X	X	X	X	X		
- Contingent convertible bonds (CoCo bonds)		X	X	X	X	X	X	
- Callable or puttable bonds		X	X	X	X	X	X	
- Credit-linked notes (CLN)								

** Share subscription warrants must be sold within a short timeframe, taking account of the most favourable market conditions.*

- Total Return Swaps (TRS)
  - General description and justification of the use of TRS:

    The Total Return Swap (TRS) used is a swap contract of an index consistent with the management objective, for an interim payment indexed to the benchmark money-market rate.

  - Types of assets that may be subject to such contracts:
    - Negotiable debt securities
    - Bonds.

  - Level of use anticipated and authorised:
    - Maximum use: 100% of net assets.
    - Expected use: approximately 10% of net assets.

  - Information on the underlying strategy and composition of the index or the portfolio:

    TRS used by the UCITS are standardised contracts on the bond index in order to hedge or expose the portfolio in relation to the bond market.

  - Information on counterparties and clarification as to whether or not there is discretionary power:

    These TRS are carried out without the counterparty having any discretionary decision-making power or any power over the composition or management of the UCITS' portfolio or over the underlying assets of the TRS. The approval of the counterparty is not required for any transaction relating to the UCITS' portfolio.

  - Criteria determining TRS counterparty selection:

    These contracts will be concluded with credit institutions with a minimum "Investment Grade" rating or a rating deemed equivalent by the management company, the registered office of which is located in an OECD member country.

- Counterparty selection criteria

  Counterparties for over-the-counter instruments (over-the-counter derivatives and effective portfolio management techniques) are selected through a specific procedure applied within the management company: the main selection criteria relate to their financial strength, their expertise on the types of transactions planned, the general contractual clauses and the specific clauses relating to counterparty risk mitigation techniques.

Deposits:

Up to 100% of the Fund's net assets may be in the form of deposits at a credit establishment based in a European Union or European Economic Area Member State, with a term of less than 12 months, as a store of cash to be used as needed.

Cash borrowing:

On an exceptional basis, with the aim of investing in anticipation of a market rise or on a temporary basis as part of managing large redemptions, the manager may borrow cash up to the value of 10% of the Fund's net assets from the custodian, CACEIS Bank.

Temporary purchases and sales of securities:

- Types of trade used:
  - Repurchase or reverse-repurchase agreements in compliance with the French Monetary and Financial Code.
  - Loans and borrowings of securities in compliance with the French Monetary and Financial Code.

- Types of trade:

  These transactions are conducted within the fixed-income component of the UCITS portfolio.

These shall mainly aim to allow:

- Adjustment of the breakdown of curve sensitivity;
- Arbitrages of curves;
- Investment of liquidities.

- Types of assets that may be subject to such transactions:
  - Negotiable debt securities
  - Bonds.

- Level of use envisaged and authorised:
  - Repurchase and reverse repurchase agreements:
    - Maximum use: 100% of net assets.
    - Expected use: approximately 10% of net assets.
  - Securities lending and borrowing:
    - Maximum use: 100% of net assets
    - Expected use: approximately 10% of net assets.

- Counterparty selection criteria

  These transactions will be concluded with credit institutions with a minimum rating of "Investment Grade" or deemed equivalent by the management company, the registered office of which is located in an OECD member country.

For further information on the conditions of remuneration from temporary sales and purchases of securities, please refer to the "Fees and commissions" section.

As the UCITS uses derivatives and securities with embedded derivatives and may borrow cash and conduct transactions involving temporary purchases and sales of securities, the portfolio's total level of exposure will fluctuate between 0% and 200% of the net assets.

Information relating to the Fund's financial guarantees:

The GROUPAMA CONVERTIBLES UCITS complies with the investment rules for financial collateral that are applicable to UCITS and does not apply specific criteria in addition to these rules.

Within the context of temporary purchases and sales of securities and over-the-counter derivatives transactions, it may accept securities (such as corporate bonds and/or government bonds) or cash as collateral. The collateral received and its diversification will comply with the restrictions of the Fund.

Only the cash collateral received will be reinvested, in accordance with the applicable rules for the Fund.

All assets received as collateral must be issued by high-quality issuers that are liquid, have low volatility, are diversified and which are not an entity of the counterparty or its group.

These assets received as collateral will be retained by the custodian of the UCITS on specific accounts. Management of margin calls will be undertaken on a daily basis.

The discounts applied to the collateral received take into account, in particular, credit quality, the volatility of the prices of securities as well as the result of stress tests performed in accordance with the regulations in force.

The level of financial guarantees and the discount policy are set in accordance with the regulations in force.

Risk profile

Capital risk

Investors will be exposed to the risk of losing their invested capital, since the Fund does not offer a capital guarantee.

Risk relating specifically to convertible bonds

Owing to the hybrid nature of convertible bonds, the portfolio incurs interest-rate risk, credit risk, equity risk, volatility risk and foreign-exchange risk.

The value of convertible bonds depends on several factors: the level of interest rates, credit spreads, changes in the prices of the underlying equities and changes in the prices of derivatives incorporated in the convertible bond. These various factors may entail a fall in the Fund's net asset value.

Interest-rate risk

As the Fund is exposed to interest-rate risk, shareholders may find that the performance of that portion is negative due to interest-rate fluctuations. Generally, the prices of fixed-income securities held in the portfolio rise when interest rates fall, and fall when interest rates rise.

Credit risk

This risk represents the possibility that the issuer's quality may fall or it may default on shares invested in the portfolio, leading it to default on payment, which will negatively impact the share price and thus may result in a fall in the Fund's net asset value.

Credit risk also exists in the context of temporary purchases and sales of securities if, at the same time, the counterparty for these transactions defaults and the issuer of the collateral received declares a default on the debt securities received as collateral.

Counterparty risk

Counterparty risk relates to the conclusion of over-the-counter financial futures contracts or temporary purchases and sales of securities. It consists of assessing the risks for an entity in terms of the commitments linking it to the counterparty with which the contract has been entered into. This refers to the default risk of the counterparty, causing it to default on payment. This risk is, however, limited by the provision of collateral.

Liquidity risk associated with securities financing transactions

In the event of the default of a counterparty to a securities financing transaction, this risk will apply to collateral by way of the sale of securities received.

Use of derivatives

Using derivatives may increase or decrease the Fund's volatility by respectively increasing or decreasing its exposure.

However, the Fund's volatility should remain relatively close to its benchmark, although it may vary from time to time.

Risks associated with financing operations on securities, total return swaps and the management of financial collateral

The use of temporary purchases and sales of securities and total return swaps may increase or reduce the net asset value of the UCITS.

The risks associated with these transactions and with the management of financial collateral are credit risk, counterparty risk and liquidity risk as defined above.

Furthermore, the operational or legal risks are very limited due to an appropriate operating process, the custody of collateral received by the custodian of the UCITS and the supervision of this type of operation in framework agreements concluded with each counterparty.

Lastly, the risk of collateral reuse is very limited since only cash collateral is reused in accordance with the regulations relating to UCITS.

Risk linked to the use of (high-yield) speculative securities

This UCITS is to be considered as partially speculative and is aimed particularly at investors aware of the inherent risks of investing in securities with a low rating or no rating at all. As such, the use of high-yield securities may amplify any fall in the net asset value.

Volatility risk

Volatility risk is an integral part of convertible bonds, and its level is close to that of the benchmark.

Exchange-rate risk

This is the risk of a downturn in the currencies in which investments are held compared to the portfolio's benchmark currency, the euro. In the event of a drop in the value of a currency against the euro, the net asset value may also fall.

Exchange-rate risk arises from the fact that the UCITS may invest up to 20% of its net assets in securities denominated in foreign currencies. However, the exchange-rate risk of the portfolio, after currency hedging, may not exceed 10%.

Equity risk

If the assets underlying the convertible bonds fall or if the equities held directly in the portfolio or the indices to which the portfolio is exposed fall, the Fund's net asset value will fall.

Risks associated with investment in contingent convertible bonds (CoCo bonds):

- Trigger level risk:

  A CoCo bond is a hybrid bond for which the trigger level depends on the solvency ratio of its issuer. The trigger level of a CoCo bond is the event that determines the bond's conversion into an ordinary share. The lower the solvency ratio, the greater the likelihood of conversion, all other things being equal. In addition to the risk of default on senior or subordinated debt, the resolution authority may impose a percentage of loss, firstly affecting shareholders and then the holders of CoCo bonds (without necessarily reaching the solvency ratio trigger level).

- Call extension risk:

  Certain CoCo bonds are debt securities considered permanent. The maturity date initially proposed may be exceeded. Hence a CoCo bond investor risks recovering their capital at a later date than initially expected.

- Coupon cancellation risk:

  CoCo bonds give entitlement to the payment of a coupon at a specified frequency. Issuers of certain types of CoCo bonds may cancel coupon payments: the non-payment of a coupon is definitive, at the discretion of the issuer or per bond (such cases are related to the rules restricting coupon payments according to the level of capital). This suspension of coupon payments may arise even when the bank pays dividends to its shareholders and variable remuneration to its employees. The amount of interest attached to this type of CoCo bond is therefore variable. The risk therefore applies to the frequency and the amount of remuneration of this type of bond.

- Capital structure inversion risk:

  Contrary to the conventional capital hierarchy, investors in CoCo bonds may, in certain circumstances, incur a capital loss before the shareholders. This may be the case, in particular, when the trigger level is high.

- Yield/valuation risk:

  The often-attractive yield of CoCo bonds may be considered a complexity premium. Investors must take into account the underlying risks of CoCo bonds.

- Unknown risk:

  CoCo bonds are recent instruments whose behaviour in periods of stress is unknown.

Sustainability risks:

Sustainability risks, comprising those on the Major ESG (Environmental, Social and Governance) Risks list, and the coal policy are taken into account during decision-making as follows:

- Major ESG Risks list: this list comprises companies whose ESG risks could call into question their economic and financial viability, or could have a significant impact on the company's value and brand, thus resulting in a significant fall in market value or a significant downgrade by rating agencies. Investments in such stocks trigger an alert requiring that the suitability of the decision be justified.
- Coal policy: the purpose of this policy is to reduce the exposure of the Fund to climate risks, whether these be physical risks or transitional risks. In order to limit these risks, an excluded stocks list has been defined according to the criteria stipulated in Groupama AM's general policy, which is available at www.groupama-am.com. These stocks are excluded.

There may be several impacts resulting from the emergence of a sustainability risk and they may vary depending on the specific risk, region and asset class. In general, when a sustainability risk occurs for an asset, it will have a negative impact on the asset or cause a total loss in its value.

Management policy for liquidity risk:

Management of the UCI's liquidity risk is undertaken as part of an analysis and monitoring procedure that relies on internal tools and methodologies in place within Groupama Asset Management.

This procedure has two main components:

- monitoring the portfolio's liquidity profile based on an asset liquidity assessment in view of current market conditions; and
- monitoring the Fund's ability, whether in current or worsening market conditions, to deal with significant redemption scenarios.

Guarantee or protection:

None.

Eligible subscribers and typical investor profile

G unit	Reserved for Groupama Assurances Mutuelles' companies, subsidiaries and regional banks.
GMA unit	Reserved for French companies and subsidiaries of Groupama Assurances Mutuelles
IC unit	Reserved for institutional investors
ID unit	Reserved for institutional investors
M unit	Reserved for institutional investors except UCIs or mandates managed by Groupama Asset Management or its subsidiaries.
N unit	Open to all subscribers.
O unit	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries, and belonging to Opale range.
P unit	Reserved for institutional investors
RC unit	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients.
RD unit	Reserved for investors subscribing via distributors or intermediaries providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients

The GROUPAMA CONVERTIBLES fund is aimed at investors wishing to enhance their savings by combining the performance of both interest-rate and equity markets.

The recommended investment term is more than three years.

Investors are also advised to adequately diversify their investments to prevent exposure solely to the Fund's inherent risks.

Investment diversification: this should be achieved by investing in different asset units (money-market instruments, bonds and equities) and in different sectors and geographical regions so as to spread risks more effectively and optimise portfolio management by taking market trends into account.

Income calculation and appropriation methods

G unit	Accumulation and/or distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
GMA unit	Accumulation and/or distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
IC unit	Accumulation.
ID unit	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
M unit	Accumulation.

N unit	Accumulation.
O unit	Accumulation.
P unit	Accumulation
RC unit	Accumulation.
RD unit	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.

Characteristics of units

	Initial net asset value	Currency	Division
G unit	€10,000	Euro	Thousandths of a unit
GMA unit	€20,000	Euro	Thousandths of a unit
IC unit	€1,000	Euro	Ten-thousandths of a unit
ID unit	€1,524.49	Euro	Thousandths of a unit
M unit	€100	Euro	Ten-thousandths of a unit
N unit	€500	Euro	Ten-thousandths of a unit
O unit	€10,000	Euro	Thousandths of a unit
P unit	€1,000	Euro	Ten-thousandths of a unit
RC unit	€500	Euro	Thousandths of a unit
RD unit	€500	Euro	Thousandths of a unit

Subscription and redemption procedures

	Minimum initial subscription	Subscriptions	Redemptions*
G unit	€300,000	In amounts or thousandths of a unit	In amounts or thousandths of a unit
GMA unit	€500,000	In amounts or thousandths of a unit	In amounts or thousandths of a unit
IC unit	1 thousandth of a unit	In amounts or ten-thousandths of a unit	In amounts or ten-thousandths of a unit
ID unit	1 thousandth of a unit	In amounts or ten-thousandths of a unit	In amounts or ten-thousandths of a unit
M unit	1 thousandth of a unit	In amounts or thousandths of a unit	In amounts or thousandths of a unit
N unit	€500	In amounts or ten-thousandths of a unit	In amounts or ten-thousandths of a unit
O unit	1 thousandth of a unit	In amounts or thousandths of a unit	In amounts or thousandths of a unit
P unit	1 thousandth of a unit	In amounts or ten-thousandths of a unit	In amounts or ten-thousandths of a unit
RC unit	1 thousandth of a unit	In amounts or thousandths of a unit	In amounts or thousandths of a unit
RD unit	1 thousandth of a unit	In amounts or thousandths of a unit	In amounts or thousandths of a unit

*Redemptions may only be made in quantities and not in amounts

Orders are executed in accordance with the table below:

D	D	D: NAV calculation date	D+1 business day	D+3 business days	D+3 business days
Clearing of subscription orders before 11 a.m. (1)	Clearing of redemption orders before 11 a.m. (1)	Execution of the order no later than D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

(1) Unless you have agreed a specific deadline with your financial institution.

Subscription and redemption requests are cleared by CACEIS Bank and may be received every bank business day up to 11 a.m.:

- at CACEIS Bank for those clients for whom it provides custody account-keeping services, for bearer or administered registered units,

- and at Groupama Asset Management for directly registered units.

Such requests are executed on an unknown net asset value basis with settlement on D+3 Euronext Paris.

Investors are reminded that, when sending instructions to marketing agents other than the organisations indicated above, they must take into account that the cut-off time for clearing imposed by CACEIS Bank also applies to these marketing agents. Consequently, the latter may stipulate their own earlier cut-off time, which may precede the cut-off time mentioned above, so that instructions can be sent to CACEIS Bank on time.

The Fund's net asset value is calculated every trading day except for official French public holidays. Reference calendar: Paris Stock Exchange.

The net asset value may be obtained from: www.groupama-am.com.

Swing pricing mechanism:

Groupama Asset Management has decided to implement a *swing pricing* mechanism pursuant to the procedures recommended by the AFG Charter, to protect the UCITS and its long-term investors from the effects of strong inflows or outflows of capital.

If the net amount of subscription or redemption in the UCITS exceeds a threshold previously set by Groupama Asset Management, the net asset value of the UCITS will be increased or reduced by a percentage intended to offset the costs incurred by the investment or disinvestment of this amount and to ensure that these costs are not charged to the other investors in the UCITS.

The triggering threshold and the extent of the swing of the net asset value are specific to the UCITS and are audited quarterly by a "*Swing Price*" committee. This committee may change the parameters of the swing pricing mechanism at any time, particularly in the event of crisis on the financial markets.

Provision of redemption caps or "*gates*":

Groupama Asset Management may implement "*gates*" to allow redemption requests from UCITS unitholders to be spread over several net asset values if they exceed a certain level, determined objectively.

- Description of the method used:

  UCITS unitholders are reminded that the threshold for triggering *gates* corresponds to the relationship between:

- the difference recorded, on a single clearing date, between the number of UCITS units the redemption of which is requested, or the total amount of these redemptions and the number of UCITS units the subscription of which is requested, or the total amount of these subscriptions; and
- the net assets or the total number of UCITS units.

If the UCITS has several unit classes, the triggering threshold of the procedure will be the same for all UCITS unit classes.

The threshold above which the *gates* may be triggered is justified by the frequency at which the net asset value of the UCITS is calculated, its management orientation and the liquidity of the assets it holds. This is set at 5% of net assets of the UCITS and applies to redemptions cleared for the UCITS assets and not specifically to the UCITS unit classes.

When the redemption requests exceed the threshold for triggering *gates*, Groupama Asset Management may decide to honour redemption requests beyond the expected cap, and to execute in part or in full those orders which might be blocked.

The maximum duration of the application of the gates is fixed at the equivalent of 20 net asset values for 3 months.

- Methods of providing information to unitholders:

  In the event the "*gates*" system is activated, all UCITS unitholders will be informed by any means, through the website of Groupama Asset Management, www.groupama-am.com.

  UCITS unitholders whose orders have not been executed will be informed as quickly as possible in a specific way.

- Processing of non-executed orders:

  Redemption orders will be executed in the same proportions for UCITS unitholders who have requested redemption since the last clearing date. For non-executed orders, these will be automatically carried over to the next net asset value and will not have priority over the new redemption orders placed for execution on the basis of the next net asset value. In any case, redemption orders which are not executed and are automatically carried over may not be revoked by UCITS unitholders.

- Example illustrating the system that has been partially set up:

  For example, if the total redemption order of the UCITS units is 10% while the triggering threshold is set at 5% of the net asset management, Groupama Asset Management may decide to honour redemption orders up to 7.5% of the net assets (and therefore execute 75% of redemption orders as opposed to 50% if the 5% cap was applied).

Charges and fees

Subscription and redemption fees

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. Fees paid to the Fund are used to compensate the latter for the expenses for investment or divestment of the Fund's assets. The remaining fees accrue to the management company, distributor and so on.

Unit	Base	Subscription fee not accruing to the Fund	Subscription fee accruing to the Fund	Redemption fee not accruing to the Fund	Redemption fee accruing to the Fund
G unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax(*)	None	None	None
GMA unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax(*)	None	None	None
IC unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax(*)	None	None	None
ID unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax(*)	None	None	None
M unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax(*)	None	None	None
N unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax(*)	None	None	None
O unit	Net asset value x Number of units or shares	Maximum rate: 4% incl. tax(*)	None	None	None
P unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax	None	None	None
RC unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax(*)	None	None	None
RD unit	Net asset value x Number of units or shares	Maximum rate: 3% incl. tax	None	None	None

(*) Bank charges of up to 50 euros per transaction are added to these fees in Italy.

Operating and management fees

These fees include all those charged directly to the Fund, except for transaction charges, which include intermediary fees (e.g. brokerage fees, stock market taxes etc.) and the activity fee, if any, which may be charged, notably by the custodian and the management company.

The following fees may be charged in addition to operating and management fees:

- Outperformance fees: these reward the management company if the Fund's performance exceeds its objectives. They are therefore charged to the Fund;
- Activity fees charged to the Fund;

Regarding ongoing charges invoiced to the Fund, please refer to the "Charges" section of the Key Investor Information Document (KIID).

IC, ID, RC and RD units:

Fees charged to the Fund	Base	Rate
Financial management fees, fees external to the management company (statutory auditor, custodian, distribution, lawyers etc.)	Net assets Deducted from Fund units or shares	Maximum rate: 0.60% incl. tax*
Maximum indirect fees (management fees and charges)	Net assets	Not significant *
Activity fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Activity fee accruing to the management company	Deducted from each transaction	By type of instrument ***
Outperformance commission	Net assets	15% of performance above that of the Refinitiv Eurozone EUR only currency (closing price – coupons reinvested)

*The UCITS held in the portfolio are below 20%.

***Please refer to the “Transaction fees accruing to the management company” fee scale below.

M unit:

Fees charged to the Fund	Base	Rate
Financial management fees, fees external to the management company (statutory auditor, custodian, distribution, lawyers etc.)	Net assets Deducted from Fund units or shares	Maximum rate: 0.50% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant *
Activity fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Activity fee accruing to the management company	Deducted from each transaction	By type of instrument ***
Outperformance commission	Net assets	15% of performance above that of the Refinitiv Eurozone EUR only currency (closing price – coupons reinvested)

*The UCITS held in the portfolio are below 20%.

***Please refer to the “Transaction fees accruing to the management company” fee scale below.

N unit:

Fees charged to the Fund	Base	Rate
Financial management fees, fees external to the management company (statutory auditor, custodian, distribution, lawyers etc.)	Net assets Deducted from Fund units or shares	Maximum rate: 1.70% incl. tax*
Maximum indirect fees (management fees and charges)	Net assets	Not significant **
Activity fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax ***Depending on complexity
Activity fee accruing to the management company	Deducted from each transaction	By type of instrument ****
Outperformance commission	Net assets	15% of performance above that of the Refinitiv Eurozone EUR only currency (closing price – coupons reinvested)

*Of which 1.50% is the financial management fee.

**The UCITS held in the portfolio are below 20%.

****Please refer to the “Transaction fees accruing to the management company” fee scale below

G and GMA units:

Fees charged to the Fund	Base	Rate
Financial management fees, fees external to the management company (statutory auditor, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.40% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant *
Activity fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Activity fee accruing to the management company	Deducted from each transaction	By type of instrument ***
Outperformance commission	Net assets	None

*The UCITS held in the portfolio are below 20%.

***Please refer to the “Transaction fees accruing to the management company” fee scale below.

O unit:

Fees charged to the Fund	Base	Rate
Financial management fees, fees external to the management company (statutory auditor, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.10% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Activity fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **Depending on complexity
Activity fee accruing to the management company	Deducted from each transaction	By type of instrument ***
Outperformance commission	Net assets	None

*The UCITS held in the portfolio are below 20%.

***Please refer to the “Transaction fees accruing to the management company” fee scale below.

P unit:

Fees charged to the Fund	Base	Rate / rate scale
Financial management fees and administrative fees external to the Management Company (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 0.70% incl. tax
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian, CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax **depending on complexity
Transaction fee accruing to the Management Company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

* The UCITS held in the portfolio account for less than 20%

*** Please refer to the “Transaction fees accruing to the management company” fee scale below

- Transaction fees accruing to the management company

Transaction fee accruing to the management company By type of instrument	Base	Maximum rate and/or scale
Equities and equivalent	Deducted from each transaction	0.10% incl. tax
Convertible bonds	Deducted from each transaction	0.05% incl. tax
Corporate bonds	Deducted from each transaction	0.05% incl. tax
Government bonds	Deducted from each transaction	0.03% incl. tax
Exchange rate, including over the counter (OTC)	Deducted from each transaction	0.005% incl. tax
Interest rate swaps (IRS)	Deducted from each transaction	0.02% incl. tax
Credit default swaps (CDS) and asset-backed securities (ABS)	Deducted from each transaction	0.03% incl. tax
Listed derivatives (per lot)	Deducted from each transaction	€2

Principles applicable to outperformance commission:

- General principles:

  The outperformance commission is provisioned on each net asset value calculation date and charged upon calculation of the final NAV (net asset value) for each financial year.

  The calculation method used is the “daily variation” model, which seeks to adjust the total provisioned balance when each NAV is calculated, based on the UCITS’s performance vis-à-vis the Refinitiv Eurozone EUR only currency since the previous NAV.

  A benchmark asset is determined at each valuation of the UCITS. It represents the UCITS’s assets minus subscription/redemption amounts and valued based on the performance of the benchmark index since the most recent valuation.

  Where the subfund’s valued assets, net of any fees, have outperformed the benchmark asset since the most recent NAV, an amount representing 15% of the difference will be added to the balance provisioned for performance fees. On the contrary, where the benchmark asset outperforms the subfund’s assets between two NAV calculation dates, a write-back of 15% of the difference will be made. The total provisioned balance cannot be negative, so write-backs are capped at the total value of existing provisions. Nevertheless, a theoretical negative balance will be noted so that future variable fees will only be provisioned once the underperformance recorded has been completely offset.

  For redemptions, the portion of the provision for variable management fees corresponding to the number of units redeemed accrues in full to the Management Company.

  In the event that no outperformance commission has been provisioned by the end of a reference period due to an underperformance vis-à-vis the benchmark index, the reference period will be extended to the following financial year with provision amounts calculated in the same way. Outperformance commission will therefore only be provisioned in the new financial year if past underperformance has been completely offset.

After five years without outperformance commission (underperformance overall over five years), the calculation mechanism no longer takes into account uncompensated underperformance before the five years, as illustrated in the second table below.

Since the only criteria for calculating outperformance commission is a positive relative performance of the UCITS compared to the benchmark, it is possible that outperformance commission may be paid even in the case of negative absolute performance.

- Figure 1: General operation

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of the UCITS's shares	10%	-4%	-7%	6%	3%
Performance of the benchmark	5%	-5%	-3%	4%	0%
Out/under-performance	5%	1%	-4%	2%	3%
Cumulative performance of the Fund over the observation period	10%	-4%	-7%	-1%	2%
Cumulative performance of the benchmark over the observation period	5%	-5%	-3%	1%	1%
Cumulative out/under-performance over the observation period	5%	1%	-4%	-2%	1%
Commission levied?	Yes	Yes	No because the UCITS has underperformed compared to the benchmark	No because the UCITS has underperformed over the entirety of the current observation period, which began in year 3	Yes
Start of a new observation period?	Yes, a new observation period begins in year 2	Yes, a new observation period begins in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period begins in year 6

• Figure 2: How non-compensated performance is handled beyond year 5

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Performance of the UCITS's units	0%	5%	3%	6%	1%	5%
Performance of the benchmark	10%	2%	6%	0%	1%	1%
A: Out/under-performance for the current year	-10%	3%	-3%	6%	0%	4%
B1: Year 1 uncompensated underperformance carry forward	N/A	-10%	-7%	-7%	-1%	Out of scope
B2: Year 2 uncompensated underperformance carry forward	N/A	N/A	0%	0%	0%	0%
B3: Year 3 uncompensated underperformance carry forward	N/A	N/A	N/A	-3%	-3%	-3%
B4: Year 4 uncompensated underperformance carry forward	N/A	N/A	N/A	N/A	0%	0%
B5: Year 5 uncompensated underperformance carry forward	N/A	N/A	N/A	N/A	N/A	0%
Out/under-performance observation period	-10% (A)	-7% (A + B1)	-10% (A + B1 + B2)	-4% (A + B1 + B2 + B3)	-4% (A + B1 + B2 + B3 + B4)	1% (A + B2 + B3 + B4 + B5)
Commission levied?	No	No	No	No	No	Yes

- Further details about the method for calculating variable management fees are available from Groupama Asset Management.

Any exceptional legal costs linked to the recovery of the fund's receivables may be added to the charges shown above.

The portfolio's management strategy may benefit from third-party research services borne by the Fund.

The contribution to the AMF will also be borne by the Fund.

Income from transactions involving the temporary purchase and sale of securities accrues in full to the UCITS. Charges, costs and fees in respect of these transactions are charged by the custodian and paid by the UCITS.

Selection of intermediaries:

Managers have a list of authorised brokers. A Broker Committee meets every six months to assess managers' evaluations of brokers and the entire value-adding chain, covering analysts, middle office and so on, and to justify the inclusion of new brokers and/or exclusion of others.

Based on their expertise, each manager reports regarding the following criteria:

- Quality of price execution,
- Liquidity offered,
- Broker's longevity,
- Quality of operations.

4 COMMERCIAL INFORMATION

Information relating to the Fund may be obtained by writing to:

Groupama Asset Management
25 rue de la Ville-l'Evêque, 75008 Paris, France,
or by going to the website: http://www.groupama-am.com

The latest annual and interim documents are available to unitholders by writing to:

Groupama Asset Management
25 rue de la Ville-l'Evêque, 75008 Paris, France.

These documents are also available on the company's website at: www.groupama-am.com

Subscription and redemption requests are cleared by CACEIS Bank at the following address:

CACEIS Bank
89-91 rue Gabriel Péri, 92120 Montrouge, France.

Information on environmental, social and governance quality criteria (ESG):

Further information on the way the management company takes ESG criteria into account will be available in the Fund's annual report and on the website of Groupama Asset Management www.groupama-am.com.

Information on the management company's voting rights:

Groupama Asset Management's voting policy and its report on voting rights are available on the website www.groupama-am.com.

5 INVESTMENT RULES

The Fund complies with the regulatory ratios applicable to UCITS funds, as defined by the French Monetary and Financial Code.

6 OVERALL RISK

The overall risk of this Fund is determined using the commitment approach.

7 ASSET VALUATION AND ACCOUNTING RULES

The Fund complies with the accounting rules prescribed by current regulations, in particular those applying to UCITS.

The accounting currency is the euro.

7.1 Valuation methods

Transferable securities traded on a French or foreign regulated market

- Securities traded in the eurozone and Europe: Last price on the valuation day.
- Securities traded in the Asia-Pacific zone: Last price on the valuation day.
- Securities traded in the Americas zone: Last price on the valuation day.

Transferable securities whose price has not been calculated on the valuation day are valued at the last officially published price. Securities whose prices have been corrected are valued at their probable market value under the sole responsibility of the Fund's manager or management company.

For convertible bonds and fixed-income products, the management company reserves the right to use consensus prices when these are more representative of their market value.

Securities denominated in currencies other than the euro are translated into euros at the exchange rate in Paris on the valuation day.

UCI shares and units

These are valued at their last known net asset value.

Negotiable debt securities

Negotiable debt securities (short-term and medium-term, bonds issued by financial companies and bonds issued by specialist financial institutions) are valued in accordance with the following rules:

- On the basis of the actual market traded price;
- In the absence of a meaningful market price, by applying an actuarial method, the reference rate being that of equivalent issues of securities plus, where applicable, a differential reflecting the intrinsic characteristics of the issuer.

OTC transactions

Transactions agreed on over-the-counter markets and authorised by the regulations applicable to UCIs are valued at their market value.

Futures and options contracts

- Futures contracts on derivatives markets are valued at the same-day settlement price.
- Options on derivatives markets are valued at the same-day closing price.

Temporary sales/purchases of securities

- Reverse-repurchase agreements

  Securities received under repurchase agreements or borrowed securities are entered in the long portfolio under “Receivables representing securities received under repurchase agreements or borrowed securities” at the amount provided for in the contract, plus interest receivable.
- Repurchase agreements

  Securities sold under repurchase agreements or loaned securities are entered in the portfolio and valued at their current value.

  The debt representing the securities in a repurchase agreement is valued at the contractual value plus interest. On settlement, the interest received or paid is recognised as income from receivables.
- Collateral and margin calls

  Collateral received is valued at the market price (mark-to-market).

  Daily fluctuation margins are calculated using the difference between the valuation at market price of collateral provided and the valuation at market price of collateralised instruments.

Generally, financial instruments for which the price has not been recorded on the valuation day or for which the price has been corrected are valued at their likely trading price, as determined by the SICAV's board of directors or management board or, for mutual funds, by the management company. Such valuations and their supporting documentation are communicated to the statutory auditor during audits.

7.2 Valuation methods for off-balance-sheet commitments

- Firm futures contracts are valued at nominal x quantity x settlement price x (currency).
- Conditional futures contracts are valued at their underlying equivalent.
- Swaps
  - Asset-backed or non-asset-backed swaps

    Commitment = nominal value + valuation of the fixed-rate leg (if fixed/variable) or the variable-rate leg (if variable/fixed) at market value.
  - Other swaps

    Commitment = nominal value + market value (if the Fund has adopted a synthetic valuation method).

7.3 Method used to recognise income from fixed-income securities

Accrued interest method.

7.4 Method used to recognise expenses

Transactions are accounted for excluding fees and expenses.

8 REMUNERATION

Details of the updated remuneration policy are available on the Groupama Asset Management website: www.groupama-am.com.

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