

## GROUPAMA AXIOM LEGACY J

March 2024

Data as of

28/03/2024

AuM

350M€

NAV

1080,57€

## Risk profile

Lower risk

1

2

3

4

5

6

7

Higher risk

Potentially lower  
yield

This indicator represents the risk profile shown in the DICI. The risk category is not guaranteed and may change during the month.

Potentially higher  
yield

## Recommended investment horizon

1y.

2ys.

3ys.

4ys. and more

## Investment objective

The Fund's objective is to try to obtain, over a recommended minimum investment horizon of 4 years, an annualised return equal to or greater than the 3-month Euribor index +3% after management costs have been deducted.

## Characteristics

Bloomberg ticker	GRAL21J FP
Benchmark	Euribor 3M +3%
SFDR classification	Article 8
Fund inception date	31/05/2017
Reference currency	EUR
Class inception date	5/31/2017
Last dividend payment date	-
Amount of last dividend paid	-
PEA	-

## Fees

Maximum subscription fees	5%
Maximum redemption fees	-
Maximum direct management fees	1%
Maximum direct management fees	-

The detail of the fees covered by the fund is available in the funds' legal prospectus.

Morningstar Rating

(Data as of 31/01/2023)

★★★★☆

Category " EUR Subordinated Bonds "

SFDR 8

## ACRS score



40%

vs 42% for the universe

## ESG score



49

vs 49 for the universe

## ITR



2,8 °C

vs 2,8 °C for the universe

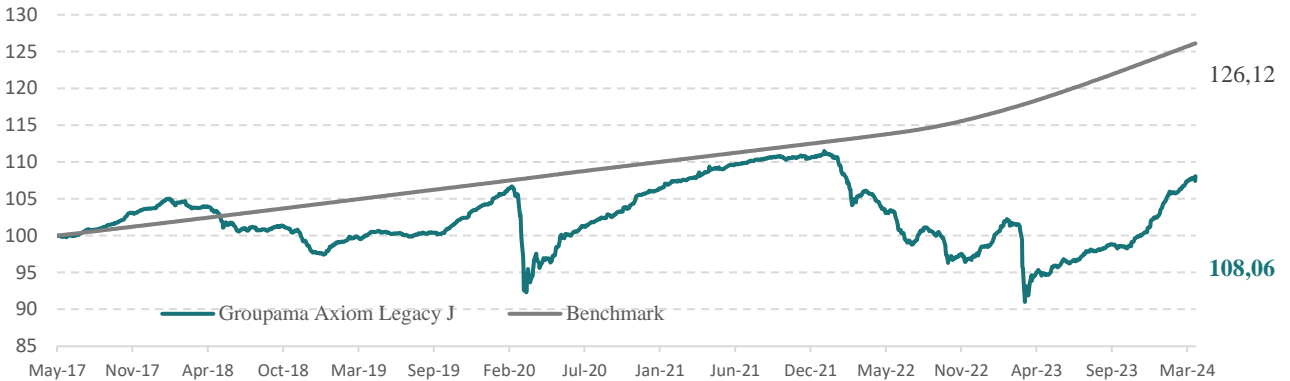
## Terms and conditions

Valuation frequency	Daily
Dividend policy	Accumulation
Minimum initial subscription	100 000 €
Subscription conditions	11:00, Paris time
Repurchases	J+3
Centralizer	CACEIS BANK

GROUPAMA AXIOM LEGACY J

BENCHMARK (Euribor 3M + 3%)

## PORTFOLIO PERFORMANCE SINCE INCEPTION (rebased at 100)



Past performance does not guarantee future results.

Source : Axiom Alternative Investments

## Cumulative returns in %

	1 month	3 months	YTD	1 year	3 years	5 years	10 years	Inception
Since	29/02/2024	29/12/2023	29/12/2023	31/03/2023	31/03/2021	29/03/2019	-	02/06/2017
<b>Fund</b>	<b>1,27%</b>	<b>5,47%</b>	<b>5,47%</b>	<b>15,52%</b>	<b>0,11%</b>	<b>8,39%</b>	-	<b>8,06%</b>
Benchmark	0,52%	1,69%	1,69%	6,81%	14,03%	20,10%	-	26,12%
<b>Difference</b>	<b>0,74%</b>	<b>3,78%</b>	<b>3,78%</b>	<b>8,72%</b>	<b>-13,91%</b>	<b>-11,71%</b>	-	<b>-18,07%</b>

(\*) YTD (Year to Date): performance since the beginning of the current year.

## Annual returns in % (since inception)

	2017	2018	2019	2020	2021	2022	2023
<b>Fund</b>	-	<b>-5,89%</b>	<b>6,78%</b>	<b>1,76%</b>	<b>4,68%</b>	<b>-11,30%</b>	<b>4,03%</b>
Benchmark	-	2,73%	2,68%	2,62%	2,49%	3,37%	6,50%
<b>Difference</b>	-	<b>-8,62%</b>	<b>4,10%</b>	<b>-0,86%</b>	<b>2,19%</b>	<b>-14,67%</b>	<b>-2,47%</b>

Source : Axiom Alternative Investments

## Main risks

**Credit risk:** this risk arises from the possibility that an issuer of bonds or debt securities may not be able to honour its payment obligations, i.e. the payment of coupons and/or the repayment of capital at maturity. Such a default may result in a decrease in the net asset value of the sub-fund (including total return swaps or DPSs). This also includes the risk of a downgrade of the issuer's credit rating.

**Counterparty risk:** A sub-fund that invests in OTC derivatives may be exposed to the risk arising from the creditworthiness of its counterparties and their ability to meet the terms of such contracts. The sub-fund may enter into forward contracts, options and swaps, including CDS, or use derivative techniques, which involves the risk that the counterparty may not meet its obligations under each contract.

**Liquidity risk:** risk arising from the difficulty or impossibility of selling securities held in the portfolio when necessary and at the price at which the portfolio is valued, due to the limited size of the market or insufficient trading volumes on the market where these securities are usually traded. The realisation of this risk may result in a decrease in the net asset value of the sub-fund.

**Use of derivatives:** If a sub-fund whose performance is linked to an underlying asset frequently invests in derivatives or securities other than the underlying asset, derivative techniques will be used to link the value of the shares to the performance of the underlying asset. While the prudent use of such derivative techniques may be beneficial, derivatives also involve risks which in some cases may be greater than the risks associated with more traditional instruments. Transaction costs may be associated with the use of such derivatives.

**Sustainability risk:** An event or situation in the environmental, social or governance field which, if it occurred, could have an actual or potential negative impact on the value of the investment or commitment.

**Risk of loss of capital:** the sub-funds do not offer any protection or guarantee. As a result, investors may not be able to fully recover their initial investment.

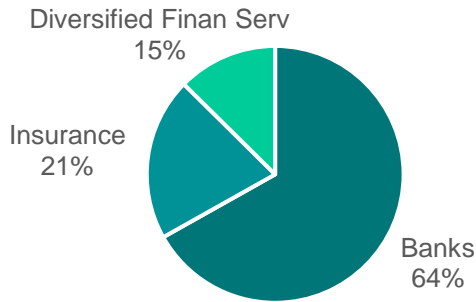
For more information on risks, please consult the fund prospectus.

## Risk analysis (on 1 year)

Volatility 1 an	2,59%
Sharpe Ratio	3,28
Credit Sensitivity	3,77
Duration	2,56

Yield to call	7,46%
Spread	403
Average rating by issuers (WARF)	BBB+
Average rating by instruments (WARF)	BB+

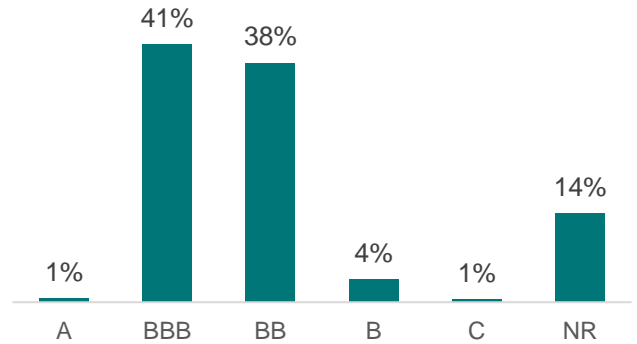
## Asset breakdown by type of issuer (in % of net assets)



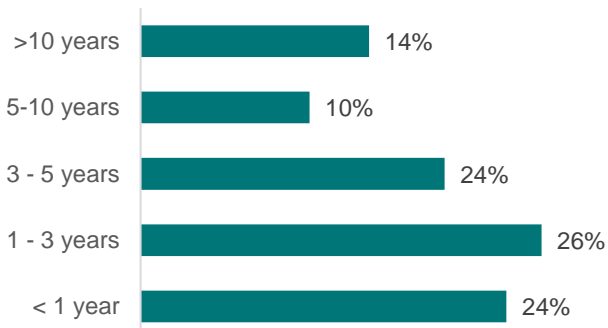
## Asset breakdown by type rating (in % of net assets)

Bonds only

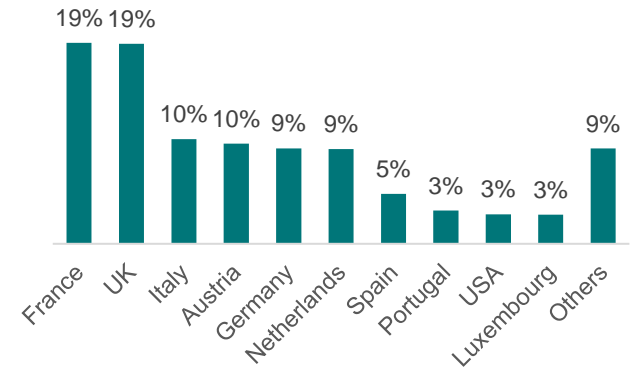
\* NR – Non-rated securities



## Asset breakdown by maturity to call date (in % of net assets)

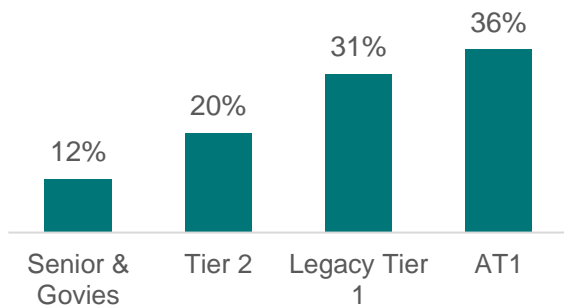


## Asset breakdown by geography (in % of net assets)



## Asset breakdown by type of subordination (in % of net assets)

Bonds only



## Top 10 holdings (in % of net assets)

Holding	%
CCF HOLDING SAS	3,71%
LEASEPLAN CORPORATION NV	3,66%
BNP PARIBAS	3,21%
AEGON LTD	2,67%
UNICREDIT SPA	2,62%
VAN LANSCHOT NV	2,60%
INTESA SANPAOLO SPA	2,51%
OLDENBURGISCHE LANDESBK	2,32%
STANDARD CHARTERED PLC	2,31%
IKB DEUTSCHE INDUSTRIEBK	2,21%



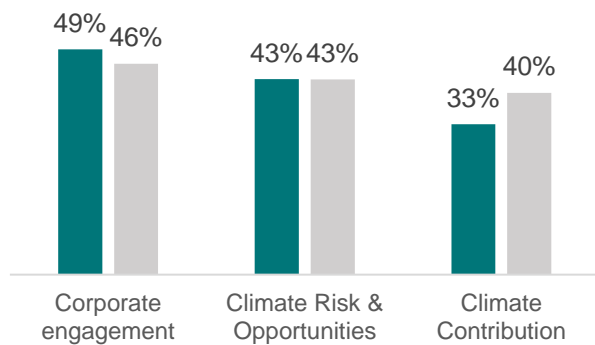
GROUPAMA AXIOM LEGACY

INVESTMENT UNIVERSE

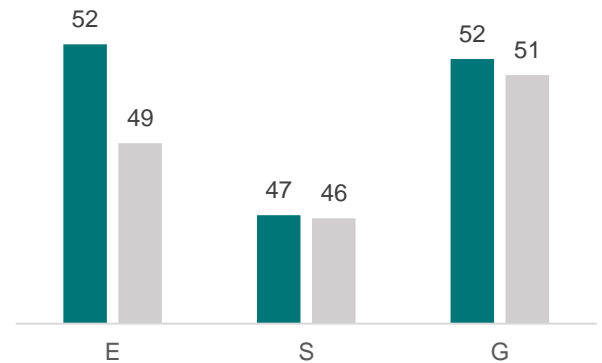
## ESG performance indicators

	GROUPAMA AXIOM LEGACY		Universe	
	Average	Issuer coverage	Average	Issuer coverage
ACRS	40%	34	42%	76
°C	2.8	50	2.8	96
ESG	49	60	49	290

## ACRS by pillars



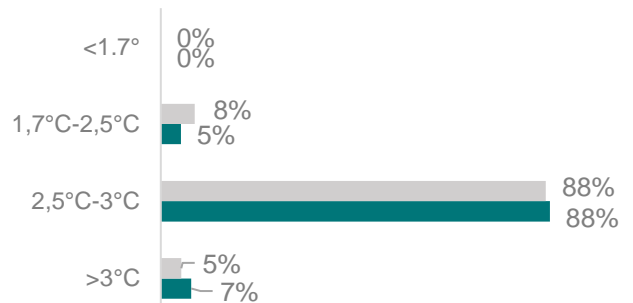
## ESG by pillars



## Top 5 holdings by ACRS

	ACRS	ESG	ITR
DE VOLKSBANK NV	63%	N/A	2.4
DRESDNER FNDG TRUST I	53%	54	2.7
AXA SA	52%	81	3.6
NATL WESTMINSTER BANK	52%	51	2.8
STANDARD CHARTERED PLC	51%	46	2.9

## Breakdown by Implied Temperature Rise (ITR)



Source : Axiom Alternative Investments

## Management team

Paul GAGEY

## Monthly comment

Source : Axiom Alternative Investments

In March, Groupama Axiom Legacy delivered a positive performance of +1.28% (P share class), bringing the 2024 performance to +5.52%.

The FED upgraded their growth projection for 2024 (from 1.4% to 2.1%) and lifted their core PCE estimate (from 2.4% to 2.6%). Three rate cuts are still planned for 2024 according to the dot plot. The ECB repeated its intention to have a first cut in June.

Credit indices were stable, with the Xover finishing the month at c. 300 bps vs. 115 bps for the Subfin.

Economic data has improved, with both the US and European Citi Economic Surprise Indices positive. However, the progress towards 2% inflation seems fragile and vulnerable to a pick-up in commodity and goods prices.

German lenders exposed to US CRE, notably Aareal and Deutsche Pfandbriefbank, are in a better position. Helaba posted record FY23 net profits despite the increased losses in the real estate division.

## Fund activity

Source : Axiom Alternative Investments

We participated in the primary market with the acquisition of the Fineco bank SPA perpetual subordinated bond. This is an AT1 security with a first call option in 2029. This Italian bank, owned by Unicredit until 2019, specialises in online brokerage for retail customers. It has a strong market share. Our investment, rated BB- by Standard & Poor's, offers a 7.5% yield in euros.

## Our ESG and climate approach

### General methodology

The selection is based on the following ESG tools :

- **Exclusion policy:** determines the exclusions we make due to proven controversies, non-adherence to major initiatives such as the PRB (Principle for Responsible Banking) and sector or thematic restrictions.
- **ACRS - Axiom Climate Readiness Score:** in-house climate rating methodology.
- **ESG Database:** analysis of ESG factors and their rating.

The combination of all these tools allows us to offer a fund with an ESG score higher than that of issuers in the top three quartiles of its investment universe.

### Our climate methodology

The fund is targeting leading issuers in terms of climate change integration. It evaluates issuers based on :



#### Corporate engagement

Sets the priority level given to climate change by the board and top management, the company's climate strategy, and corresponding objectives, as well as the degree of transparency of communication and the means deployed to address climate change.



#### Climate risk and opportunities

Assesses the processes and tools used to identify, measure and mitigate the issuer's exposure to climate-related risks, as well as its approach to seizing opportunities arising from the energy transition.



#### Climate contribution

Assesses the share of the issuer's investments and/or loans in companies or financial instruments that seek to contribute to the "greening" of the economy as well as the products or solutions offered that aim to combat climate change. In the case of banks, Axiom AI is computing an ITR metric (Implied Temperature Rise).

<b>ITR (Implied Temperature Rise)</b>	Also known as 2° alignment metric, is a forward-looking measure that attempts to estimate a global temperature associated with the greenhouse gas emissions of entities in a portfolio or investment strategy.
<b>ESG</b>	Refers to the Environmental, Social and Governance (ESG) criteria that enable an analysis of a company's non-financial performance.
<b>Energy transition</b>	Refers to the transition from the current energy production system, mainly based on fossil fuels, to an energy mix based largely on renewable or low carbon energies.

## Management constraints

The UCITS may invest on issuers with a minimum rating of investment grade and up to 20% on high-yield (so-called "speculative") issuers or unrated issuers. The proportion of investments in interest rate products will be between 0 and 110% of net assets. It may invest up to 20% of its net assets in "Additional Tier1" or "Coco Bonds". The UCITS may invest up to 50% of its net assets and up to 10% of its net assets in preferred shares. The UCITS equity exposure will not exceed 50% of its net assets.

## Historical modifications of the benchmark (10 years)

None.

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