MONTHLY FACTSHEET AS OF 31/10/2022

Promotional document

AXIOM ALTERNATIVE INVESTMENTS

Axiom Short Duration Bond Fund – Share Class C (EUR)

Sub-fund of the Luxembourg SICAV : Axiom Lux

NAV & Monthly perf.	Assets Under Management	Risk and reward profile[1]	SFDR
1120.2 -0.08%	€ 439M	Low risk → High Risk 1 2 **3** 4 5 6 7 Typically lower rewards — Typically higher rewards	6 **8** 9

Asset manager	Axiom Alternative Investments
Legal structure	Luxembourg SICAV : Axiom Lux
Strategy inception date[3]	08/14/2015
Sub-fund inception date[3]	Absorption the 01/11/2019
ISIN Code	LU1876459725
Minimum subscription	1 share
Share class currency	EUR
Management fees	1%
Entry charge	None
Exit charge	None
Performance fee	None
Type of share	Accumulation
Valuation frequency	Daily
Cut-off and settlement day	before 12.00 PM / 3 business days
Main risks	Credit risk, counterparty risk, liquidity risk (for more information please refer to the Fund's prospectus)

Investment objectives[2]

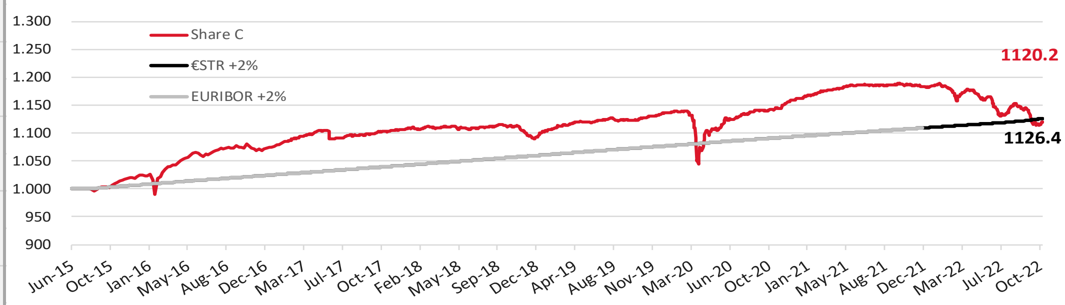
The objective of this Fund is to achieve, over a minimum 3-year investment horizon, a return net of management fees above the following benchmark: €STR capitalised[4] +2%. In order to achieve this objective, the Compartment will mainly invest in perpetual bonds at fixed coupon or "preferred shares" via a totally discretionary management.

Historical performance

	Annual performances[6]				
	2017	2018	2019	2020	2021
Axiom Short Duration - C	3.01%	-1.25%	4.03%	2.26%	1.93%
€STR capitalised +2%	1.68%	1.70%	1.66%	1.59%	1.46%

	Annualized Performances[6]			Cumulated Performances[6]					
	3 years	5 years	Since inception	1 month	YTD	1 year	3 years	5 years	Since inception
Axiom Short Duration - C	-0.24%	0.31%	1.58%	-0.08%	-5.46%	-5.66%	-0.71%	1.55%	12.02%
€STR capitalised +2%	1.58%	1.62%	1.66%	0.23%	1.42%	1.67%	4.82%	8.37%	12.64%

Net of fees performance since inception (base 1000)



Key metrics

Number of positions	239
Volatility 3 years	2.90%
Volatility 1 year	2.18%
Sharpe ratio 5 years	0.29
Sharpe ratio 3 years	0.06

Yield to Worst	5.98%
Modified duration	1.47
Credit sensitivity	3.73
Average rating by issuers (WARF)	BBB
Average rating by instruments (WARF)	BBB-

Past performance is not indicative of future results

Source : Axiom AI | The STR +2% index replaced the EURIBOR+2% as of the 2nd of December, 2021. | [1] Risk and reward profile represents the annual historical volatility of the sub-fund over a 5-year period. Historical data such as that used to calculate the synthetic indicator may not be a reliable indication of the Fund's future risk profile. The risk category associated with the Fund is not guaranteed and may change over time. The lowest risk category does not mean "risk free". The capital initially invested is not guaranteed | [2] There is no guarantee that the investment objective will be achieved or that there will be a return on investment | [3] Fund created as a FCP under French law on 07/23/2009 before being absorbed by the SICAV Axiom Lux under Luxembourg law on 01/25/2019 | [4] More information about the indexes: https://www.ecb.europa.eu/stats/financial_markets_and_interest_rates/euro_short-term_rate/html/index.en.html | [5] Yield to maturity, excluding cash, in all currencies. Yield to maturity is the rate of return on the portfolio assuming that the securities are not redeemed and held in perpetuity | [6] Net of fees performances

Monthly commentary

ADRIAN PATURLE
Portfolio Manager

The month ended with positive markets: the SeniorFin tightened from 148 to 123bps. The 5% exposure to this index was the biggest contributor (+6bps) to performance this month

The earnings season was also a good catalyst with banks in good shape last quarter. Santander, Standard Chartered and Barclays all posted high levels of profit. Deutsche Bank stood out with its best quarter since 2006. On the other hand, Credit Suisse was heckled because of its recurrent governance problems, even if its existence is not at stake, as some rumors suggest. The strong fall was used to increase the weighting on the AT1 Legacies, positions that were sold a week later once the panic had passed.

The fund continued to strengthen its positions in senior and Tier 2 short call. Let's mention the new Raiffessen Schweiz senior with a yield of 5.23% and a single A rating, the Tier 2 ING 2028 with a highly probable call in 6 months at 5% yield or a Lloyds Tier 2 legacy with a yield in euros of 7% for 3 years.

The primary market with premiums between 100 and 200 bps compared to CDS continues to weigh on secondary bonds, they have difficulty performing even in a better oriented market (everyone waits for the primary to position). This allows the fund to achieve a rate of return close to 6% today.

These examples do not constitute an investment recommendation

Portfolio management and research team

David BENAMOU
Managing Partner
Chief Investments Officer

Jérôme LEGRAS
Managing Partner
Head of Research

Antonio ROMAN
Portfolio Manager

Adrian PATURLE
Partner
Portfolio Manager

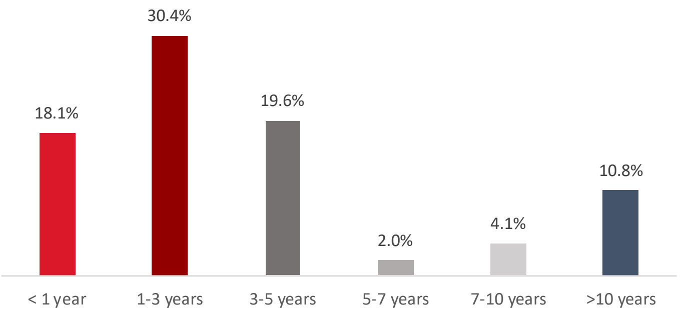
Gildas SURRY
Partner
Portfolio Manager

Paul GAGEY
Portfolio Manager

Laura RAMIREZ
ESG Analyst

Portfolio breakdown (in % of assets)

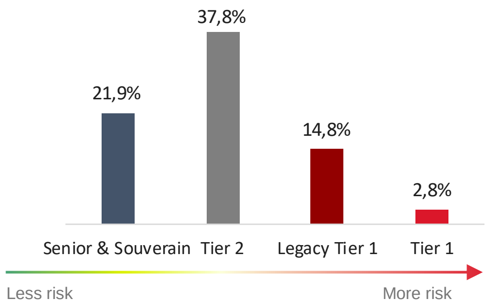
Breakdown by maturity[1]



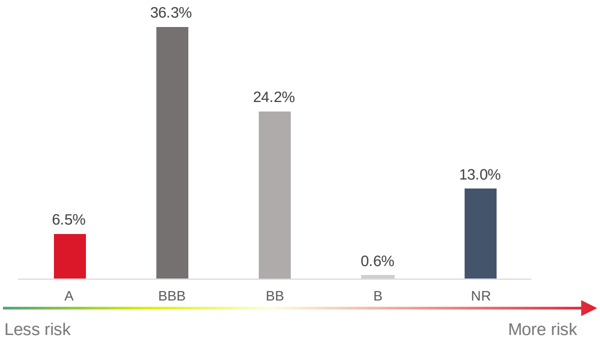
Top 5 issuers[2]

STANDARD CHARTERED PLC	3.4%
CNP Assurances	2.2%
Crédit Suisse	2.2%
AXA	2.0%
ALLIANZ SE	1.4%

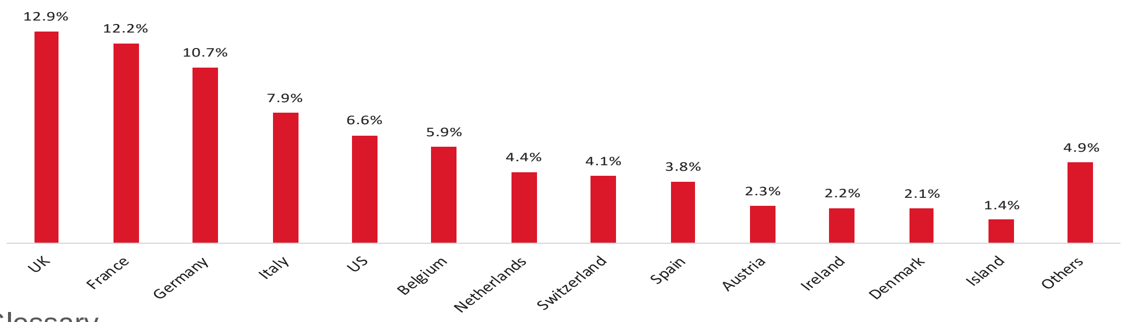
Breakdown by subordination[3]



Breakdown by rating[3]



Breakdown by country[1]



Glossary

Dette subordination	The general principle is that when there is not enough money to pay all the debts, the subordinated debt will be paid after the other debts.
Tier 1	These securities do not have priority in the event of liquidation, they do not have a maturity date, their coupon is optional and cannot be accumulated. They are the riskiest debt securities and therefore offer some of the highest returns.
Legacy bonds	Hybrid debt that was eligible as regulatory capital under Basel 1 or Basel 2 and that is not eligible under Basel 3.
Contingent convertible (Coco)	Securities that can be converted into shares under certain circumstances, usually when a solvency ratio threshold has been crossed.

More information on our climate approach is available upon request.

 Source : Axiom AI | [1] Analysis calculated on the scope of interest rate instruments; all derivatives excluded except single-name CDS| [2] Excluding Government bonds | [3] Fixed income securities only

Our ESG and climate approach

Methodology

Our selection of holdings takes into account the following ESG criteria:

- **Exclusion policy :** determines the exclusions we make due to proven controversies, and sectoral or thematic restrictions.
- **ACRS - Axiom Climate Readiness Score :** Our proprietary tool devised to analyze the climate readiness and impact of issuers.
- **ESG database:** ESG performance analysis of the companies and their rating.

Our climate approach

The fund takes into account the climate performance of banks and insurers in the following aspects

Corporate Engagement

Determines the degree of priority given to climate change by the company's top management, its climate strategy and objectives, and the degree of transparency

Climate Risk and Opportunities

Evaluates the processes implemented and tools used to identify, measure and mitigate exposure to climate-related risks, as well as its approach to seizing the opportunities of the energy transition.

Climate Contribution

Assesses the share of the issuer's investments and/or loans in companies or financial instruments that contribute to the transition. In the case of banks, the implied temperature increase of the corporate loan portfolio is calculated.

ESG Key metrics

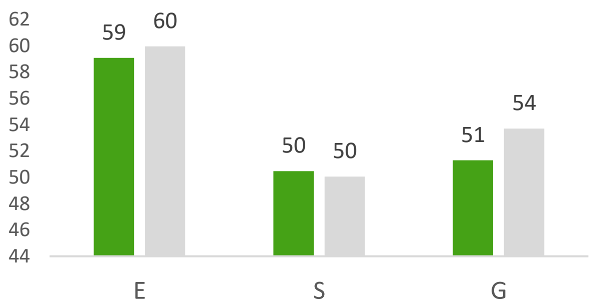
Axiom Short Duration Bond Fund   Investment universe

Key metrics

	ACRS	°C	ESG
Portfolio rating	40%	2,8	52
Universe rating	42%	2,8	53
# of companies in the universe	53	64	854
# of companies in the portfolio	44	31	44

The ACRS, implied temperature (°C) and ESG scores represent 28%, 20% and 28% of the fund's assets respectively (index & derivatives excluded).

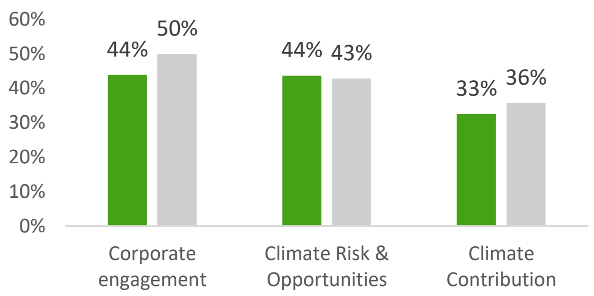
ESG average ratings



Top 5 holdings by ACRS

Issuers	CNTY	ACRS	°C	ESG
AXA SA	FR	51.8%	-	89
NATL WESTMINSTER BANK	GB	51.6%	2.8	61
STANDARD CHARTERED PLC	GB	50.5%	2.9	47
AIB GROUP PLC	IE	48.7%	2.7	70
NORDEA BANK ABP	FI	48.3%	2.4	69

ACRS by pillars



More information on our climate approach is available upon request.

Source: Axiom AI based on data from S&P Market Intelligence, Iceberg datalab, internal research | The estimates presented here cannot be compared to other ESG or climate funds as they are based on a proprietary methodology developed by Axiom AI. Our methodology relies on third-party data from ESG/Climate data providers that may contain inaccurate or incomplete data. In the event of insufficient data, these providers may resort to estimates and approximations using internal methodologies that may be subjective. As we rely on this data for our investment decisions, such uncertainty can negatively impact portfolio performance.