MONTHLY FACTSHEET AS OF 31/05/2024

Promotional document

AXIOM ALTERNATIVE INVESTMENTS

Axiom 2027 – Share Class IC EUR

French mutual funds (FCP) complying with the UCITS Directive

NAV	Assets Under Management	Risk and reward profile[1]	SFDR[2]
1065.5	173 M€	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	French FCP UCITS
Strategy inception date	11/06/2023
Sub-fund inception date	11/06/2023
ISIN Code	FR001400JNQ9
Minimum subscription	EUR 250 000
Share class currency	EUR
Management fees	0,75%
Entry charge	1% max.
Exit charge	0%
Performance fees	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[3]

The FCP seeks to achieve a performance, net of fees, from a portfolio of debt securities issued by private or public issuers with no average rating, duration or maturity constraints, which is intended to be held until the maturity date (the "Maturity Date").
The management objective of the IC EUR unit is to achieve an annualised performance, net of fees, of more than 4% over an investment horizon starting on 29 December 2023 and ending on 31 December 2027.

Historical performance

As the share class has less than a full year's track record, performance and changes in Net Asset Value (NAV) cannot be communicated. Please visit our website for more information: https://axiom-ai.com/web/en/funds/axiom-2027-2-2/

Key metrics

Number of positions	107
Yield to call	5.20%
Modified duration	2.25
Credit sensitivity	2.52
Spread	194 bps
Average rating by instruments (WARF)	BBB
Average rating by issuers (WARF)	BBB+

Top 5 issuers

UNICAJA BANCO SA	2.59%
OSB GROUP PLC	2.54%
BANCO COMERC PORTUGUES	2.49%
RAIFFEISEN BANK INTL	2.46%
DEUTSCHE BANK AG	2.34%

Past performance do not predict future returns.

Source: Axiom Alternative Investments | [1] SRI risk scale from 1 to 7, from the lowest risk level (which does not mean risk-free) to the highest. The score indicated combines market and credit risk, and may change over time. The capital initially invested is not guaranteed. | [2] The Sustainable Finance Disclosure Regulation (SFDR) is a set of European rules that aims to make investment funds more comparable with each other on sustainability criteria and increase transparency for end investors. SFDR focuses on several pre-defined extra-financial indicators to assess the sustainability of the investment process on environmental, social and governance aspects. | [3] There is no guarantee that the investment objective will be achieved or that there will be a return on investment.

Monthly commentary

ADRIAN PATURLE

Porfolio manager

Risk assets rallied in May as US treasuries recouped some of their April losses. US growth and inflation surprised to the downside, while the opposite is true in Europe. The yield on US 10y treasuries ended the month 20 bps lower at 4.5%, while Bund yields were 3 bps higher at 2.61%. The Xover and the Subfin tightened to resp. 295 bps and 105 bps, not far from their all-time lows.

Central banks have turned slightly more hawkish following a series of disappointing inflation prints. In the US, annualized core PCE and core services PCE are still trending above 3%. In Europe, there was an upside surprise in negotiated wages driven by Germany bonus payments. May core HICP rose to 2.9%, with the services component reaching 4.1%. Overall, though wages are moderating, there is little evidence that inflation is reverting to 2%.

Moving to European financials, M&A continued to hit the headlines. ABN announced the acquisition of Hauck Aufhauser Lampe, a mid market private bank in Germany. There were rumors of talks between EFG and Julius Baer. After shareholder approvals, the two UK deals (Virgin - Nationwide and Coopbank - Coventry) have advanced to the next stage and are expected to complete in late 2024 or early 2025. Unicredit is said to be looking at a potential acquisition of FiBank in Romania. In an interview with Bloomberg, Emmanuel Macron indicated that he was supportive of cross-border banking M&A, even if it involved a French target.

On the regulatory front, the EU CMDI (Crisis Management and Deposit Insurance) package seems to be making progress. The proposal extends the resolution toolkit to smaller banks, introduces a single-tier depositors preference, and clarifies the interaction between deposit guarantee schemes and the single resolution fund. In the US, the initial Basel 3 Endgames proposals have been significantly watered down, with the total increase in required capital levels now estimated at ~10% vs. ~20% initially. Governor of the Bank of France Villeroy de Galhau urged the EU to push back the implementation of the new market risk regulations to make sure EU banks won't be at a disadvantage versus their US counterparts.

In other news, the Italian factoring specialist BFF has been subject to a dividend and bonus ban following a Bank of Italy investigation, which showed that the bank did not correctly apply the Definition of Default regulations.

Primary markets remained buoyant. Aareal returned to the market with a senior non-preferred priced at +255 bps. The Portuguese insurer Fidelidade issued an inaugural RT1. Satander, Erste Bank and Intesa printed new AT1s, all with a 7% coupon. CCF Holdings has announced a tender offer for its existing AT1 at par and a new issue of 225 million euros with a coupon of 9.25%.

It does not constitute an investment recommendation.

Portfolio Management and Research team

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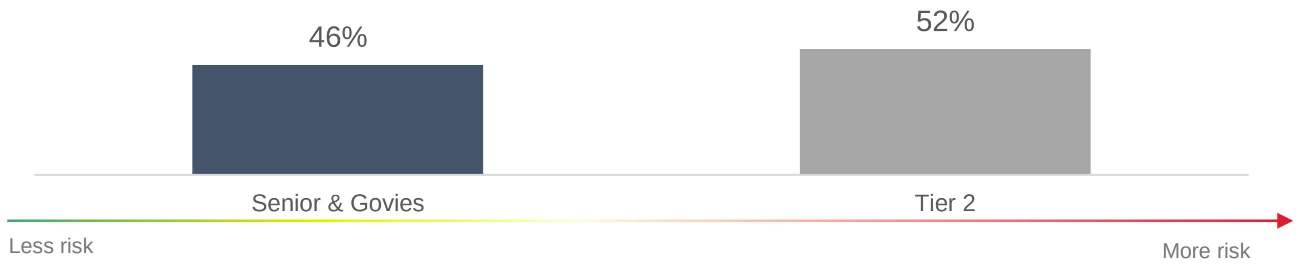
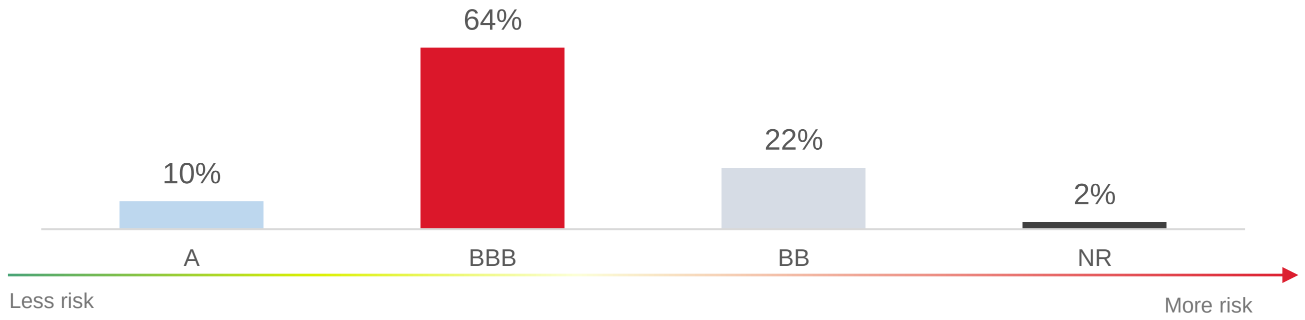
Portfolio breakdown (in % of assets)

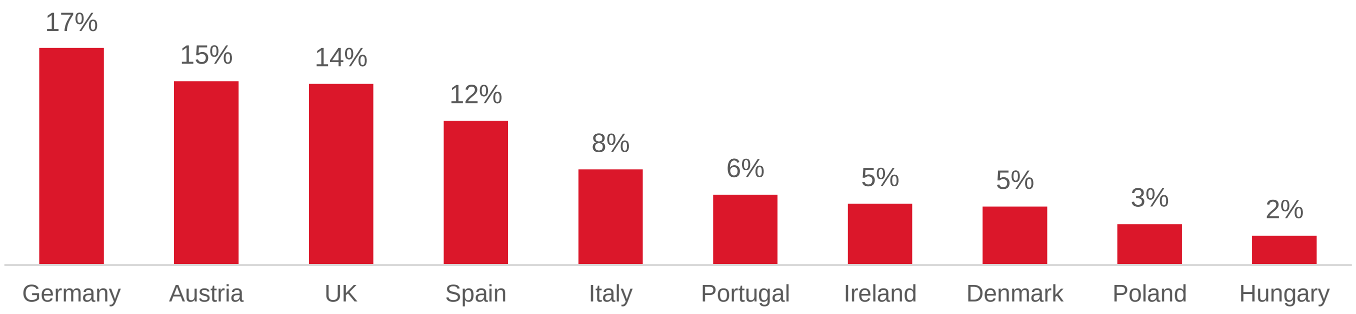
Breakdown by subordination



Breakdown by rating



Top 10 country



Glossary

Debt 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 2	Dated or perpetual bonds, mandatory coupons, eligible for regulatory capital, junior to SP and SNP debt.
Senior Preferred	Dated bonds, mandatory coupons, highly liquid market, priority of payment in the event of resolution over other bonds, eligibility for the MREL ratio with constraints including: one-year residual maturity, no structured products, issuer at the head of the resolution group. Subject to bail-in, pari passu of deposits.
Senior Non Preferred	Dated bonds, mandatory coupons, same MREL eligibility criteria, very liquid and dynamic market. Subject to bail-in. Junior of deposits.

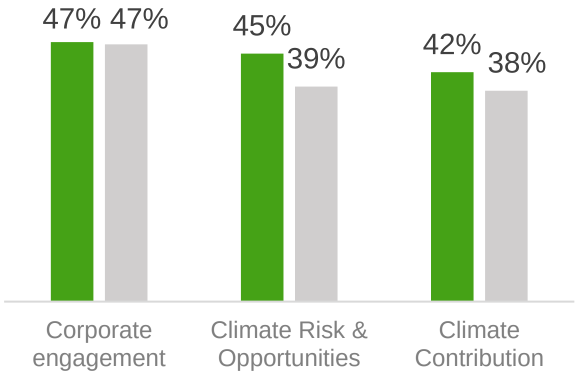
Source: Axiom Alternative Investments

AXIOM
ALTERNATIVE INVESTMENTS

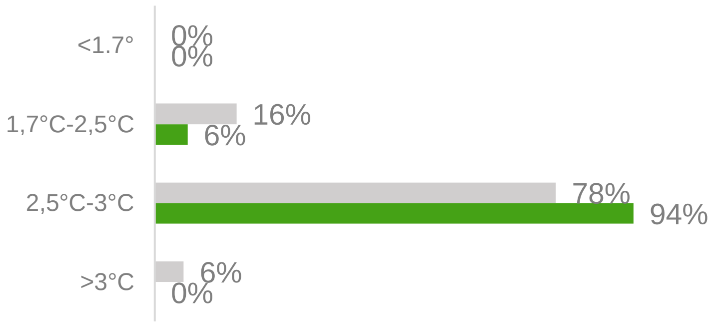
ESG Key metrics

	AXIOM 2027		Universe	
	Average	**Issuer coverage**	*Average*	*Issuer coverage*
ACRS	**43%**	**37**	*40%*	*75*
°C	**2.7**	**46**	*2.7*	*76*
ESG	**46**	**60**	*45*	*176*

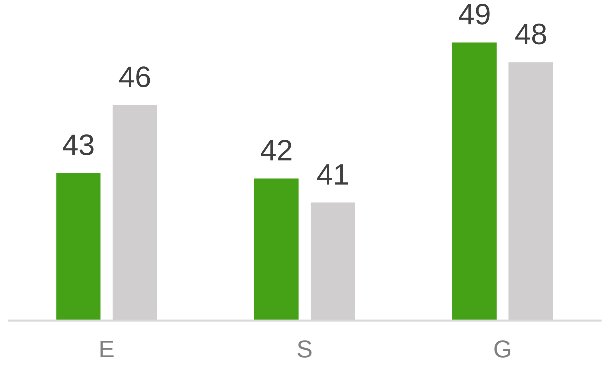
ACRS by pillars



Breakdown by Implied Temperature Rise (ITR)



ESG by pillars



Top 5 holdings by ACRS

	ACRS	ESG	ITR
DE VOLKSBANK NV	63%	n/a	2.4
BELFIUS BANK SA/NV	59%	33	2.6
COMMERZBANK AG	53%	54	2.7
NATWEST GROUP PLC	52%	51	2.8
BBVA	50%	84	2.7

Our ESG and climate approach

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.

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

More information on our climate approach is available upon request.

Source: Axiom Alternative Investments, 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.

Main risks

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.

Operational risk: the risk of losses resulting from inadequate or failed internal processes, people, systems or external events. The occurrence of these risks may cause the net asset value of the fund to fall

Currency risk: as some of the assets may be denominated in currencies other than the reference currency, the sub-fund may be affected by changes in exchange controls or in the exchange rates between the reference currency and these other currencies. For this reason, the sub-fund will systematically hedge against this risk. However, a residual risk remains. These exchange rate fluctuations may cause the net asset value of the sub-fund to fall.

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.

Risks associated with exposure to financial futures instruments: The use of derivatives may both increase (by increasing exposure) and decrease (by reducing exposure) the volatility of the FCP. In the event of unfavourable market movements, the net asset value may fall.

Exchange rate: Any investment in equities may involve directly or indirectly an exchange rate risk. While the net asset value of the sub-fund is calculated in its reference currency, the performance of an underlying asset or its components denominated in a currency other than the reference currency will also depend on the exchange rate of that currency. Similarly, the currency other than the reference currency in which an asset of the sub-fund is denominated implies a currency risk for the sub-fund.

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 realization 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.

Climate/ESG data risk: The Management Company's ESG integration process relies on third party data from climate/ESG data providers. Data providers may apply different models and use different sources of information, which may contain inaccurate, incomplete or unaudited data. In addition, where data is insufficient, data providers may use internal methods to produce subjective estimates and approximations. Similarly, the Management Company conducts qualitative analysis based on self-reported information, which is generally not audited by a third party. As the portfolio manager bases its investment decisions on this data, this uncertainty in data collection may have a negative impact on the performance of the portfolio.