Convertible bonds

ISIN Code : FR0010758755

GROUPAMA CONVERTIBLES M

French mutual fund (FCP)

December 2022

Data as of 30/12/2022

Total net assets	NAV per share
496,12 M €	152,57 €

Label ISR

Morningstar rating
(Data as of 30/11/2022)

★★★★

Category " Convertible Bond - Europe"

Risk Return

Lower risk 1 2 3 **4** 5 6 7 Higher risk

Potentially lower return

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

Potentially higher return

Investment term

3 years 4 years 5 years

Carbon intensity

396 tCO2
vs 514 for the benchmark

Green Part

3% of net assets
vs 3% for the benchmark

Implied temperature

2,76
vs 2,67 for the benchmark

Characteristics

Ticker Bloomberg	FICONVM FP
Benchmark	Refinitiv EUROZONE EUR ONLY CURRENCY
SFDR classification	Article 8
Fund's inception date	29/02/1996
Reference currency	EUR
Unit inception date	02/06/2009
Last ex-dividend date	-
Amount of last dividend paid	-
PEA	-

Terms and conditions

Valuation frequency	Daily
Type of share	Accumulation
Minimum initial subscription	-
Centralisation cut-off time	11:00, Paris
Type of NAV per share	unknown
Payment	D+3
Centralizer	CACEIS BANK

Fees

Maximum subscription fees	3,00%
Maximum redemption fees	-
Maximum direct management fees	0,50%
Maximum indirect management fees	0,00%

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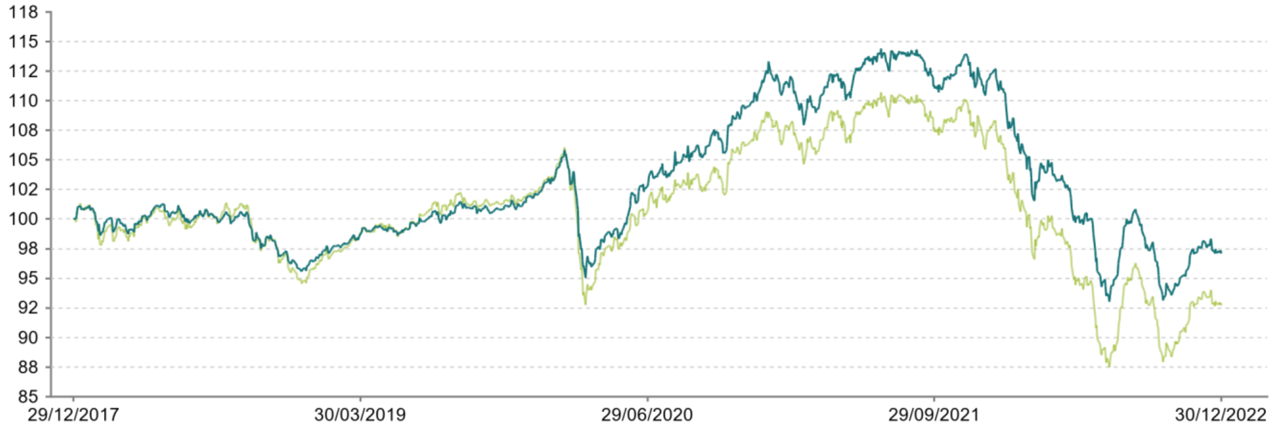
Data as of 30/12/2022

GROUPAMA CONVERTIBLES M | REFINITIV EUROZONE EUR ONLY CURRENCY

PORTFOLIO PERFORMANCE



Past performance does not guarantee future performance.

Source : Groupama AM

Net cumulative returns in %

	1 month	3 months	YTD*	1 year	3 years	5 years	10 years
Fund	**-0,72**	**3,98**	**-13,59**	**-13,59**	**-4,59**	**-2,91**	**-**
Benchmark	-0,69	4,95	-14,08	-14,08	-9,10	-7,29	-
Excess return	-0,02	-0,97	0,49	0,49	4,51	4,38	-

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

Net annual returns %

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Fund	**0,73**	**9,62**	**6,15**	**-4,14**	**6,38**	**1,28**	**5,50**	**4,87**	**9,46**	**16,38**
Benchmark	-0,25	6,06	7,57	-5,18	6,99	-0,21	6,08	3,06	9,81	18,19
Excess return	0,98	3,56	-1,42	1,04	-0,61	1,48	-0,58	1,81	-0,36	-1,81

Source : Groupama AM

Risk analysis

	1 year	3 years	5 years	10 years
Volatility	8,05%	7,41%	6,10%	-
Benchmark volatility	9,32%	8,36%	6,96%	-
Tracking Error (Ex-post)	1,72	1,79	1,59	-
Information Ratio	0,29	0,88	0,57	-
Sharpe Ratio	-1,82	-0,19	-0,08	-
correlation coefficient	0,99	0,98	0,98	-
Beta	0,86	0,87	0,86	-

Source : Groupama AM

Main risks related to the portfolio

- Interest rate risk
- Credit risk
- Liquidity risk
- Risquedeperteencapital
- Risk related to the investment in convertible bonds :
- Equity risk

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Convertible bonds

Data as of 30/12/2022

UCI profile

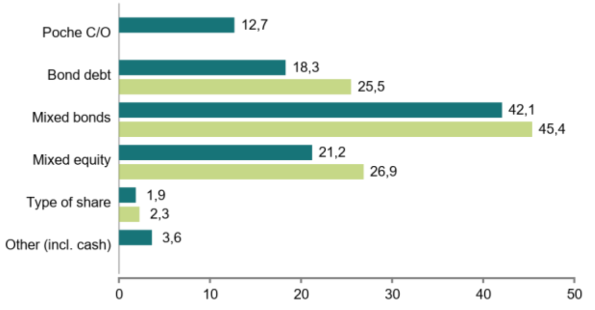
	Fund	indicateur_de_reference
Number of holdings	115	86
Rating moyen (hors NR)	BBB-	BBB
Modified duration	1,74	2,02
Total delta	30,58%	37,45%
Equity sensitivity	22,03%	27,02%
Credit spread	155,27	223,75
Average yield	1,60%	1,18%
Duration	1,77	2,16

**credit compartment + stock options with a convertible bond behaviour*

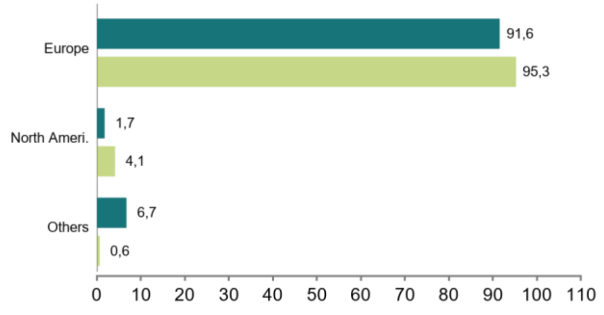
	% Assets	% equity risk
Convertible bonds	83,3%	104,6%
C/O Compartment*	12,7%	3,6%
duration	1,93	
yield	6,14	
CDS exposure	0.0%	
Equities	0,1%	0,3%
Other (incl. cash)	3,6%	0,0%
Hedging strategies	0,2%	-8,5%
Total	100,0%	100,0%

Source : Groupama AM

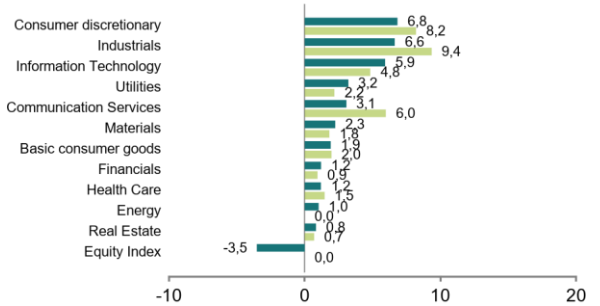
Breakdown by profil (% of asset)



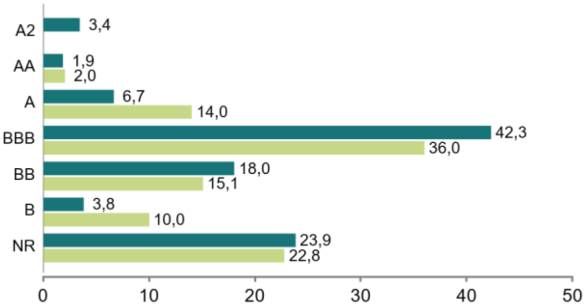
Geographic breakdown (underlying equities, as % of exposure)



Breakdown of delta by sector



Breakdown by rating* (including internal rating, in % of assets)



Exchange rate risk

Devise	Fund % assets (1)	Fund net exposure(*) (2)	Benchmark index % assets (3)	Variance (2-3)	Variance with double FRX
EUR	94,4%	99,8%	100,0%	-0,2%	0,2%
USD	4,0%	0,8%	0,0%	0,8%	-0,2%
CHF	0,9%	0,1%	0,0%	0,1%	0,1%
GBP	0,7%	-0,7%	0,0%	-0,7%	-0,2%
JPY	0,1%	-0,0%	0,0%	-0,0%	-0,0%
SEK	0,0%	0,0%	0,0%	0,0%	0,0%
Others	0,0%	0,0%	0,0%	0,0%	0,0%

(*) fund exposure net foreign currency hedges

Source : Groupama AM

Largest holdings

Exposure per issuer in % of assets	Country	Fund	indicateur_de_reference
SAFRAN SA	France	6,32%	5,08%
CELLNEX TELECOM SA	Espagne	4,16%	4,62%
RAG-STIFTUNG	Allemagne	3,96%	3,78%
WORLDLINE SA/FRANCE	France	3,62%	3,35%
NEXI SPA	Italie	3,06%	3,14%

Equity risk exposure	Country	Fund	indicateur_de_reference
SAFRAN SA	France	2,73%	3,19%
CELLNEX TELECOM SA	Espagne	2,05%	2,33%
IBERDROLA SA	Espagne	1,78%	0,45%
KERING	France	1,41%	1,21%
BNP PARIBAS	France	1,20%	0,68%

Source : Groupama AM

Équipe de gestion

Jean FAUCONNIER

Nader BEN YOUNES

Fund manager's report

Markets over the period: In December, markets performed negatively in both Europe and the United States. Equities (S&P -5.8%, Nasdaq 100 -9.0%, Stoxx 600 -3.4%, Nikkei -6.6%, MSCI Asia ex. Japan -0.3% in local currency) suffered from recession expectations and the firm stance of the ECB and the Fed regarding the continuing fight against inflation. Both central banks announced a 50bp hike in their key rates while US inflation came in at 7.1% year-on-year, slightly below expectations. Yields and credit spreads rose over the month (the US 10-year yield rose from 3.6% to 3.9%, the German 10-year from 1.9% to 2.6% and the Crossover was up 20bp). Lastly, the dollar continued to fall against the euro (from 1.04 to 1.07). Convertibles universe: the Refinitiv Eurozone Euro only index fell by -0.69% over the month, outperforming its theoretical delta in relation to the fall in euro equities (Eurostoxx -3.5%). Note that since 01/12/2022, the fund now has Refinitiv Eurozone Euro only as its benchmark index (previously it was Exane ECI Euro). The primary market remained calm in Europe with no new issues in December. Portfolio and outlook: the fund performed in line with its benchmark this month. The defensive positioning, both in delta and credit, was positive. In convertible bonds, our underexposure to GTT (+10), KPN (+4) and Cellnex (+2) made a positive contribution. The negative contributions relative to the index were due to underexposure to Delivery Hero (-12), Elis (-5), Just Eat Takeaway, etc. Similarly, the convertible bond segment made a negative contribution (-5) with -9bp on credit and +4bp on equities thanks to Sanofi and Iberdrola. On the contrary, the hedges contributed positively with +10bp on equities and +11bp on interest rates. Within the portfolio, purchases were mainly made in the primary credit market, notably Auchan 2028. In exchange, we sold/trimmed MTU Aero 2027 and Artemis/Puma 2025 following the rebound in the underlying shares. Conservative portfolio bias: the portfolio's beta remains defensive, with the fund's equity exposure at the end of the period remaining well below that of its benchmark, and also a more cautious credit positioning.

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Data as of 30/12/2022

Key ESG performance indicators

	Fund	Benchmark
Independence of directors	**85%**	84%
Carbon intensity	**396**	514

ESG performance indicators

		Measurement		Coverage rate(*)	
Criteria	ESG performance indicator	Fund	Benchmark	Fund	Benchmark
Environment	Carbon intensity (in tCO^2)	**396**	514	**85%**	86%
Social	Net job creation (in %)	**8%**	13%	**98%**	98%
	Training hours (in hours)	**20**	20	**89%**	83%
Human Rights	Human rights policy (in %)	**99%**	97%	**98%**	98%
Governance	Independance of directors (in %)	**85%**	84%	**98%**	98%

(**) The coverage ratio is the percentage of stocks that contribute to the ESG indicator score

For definitions of ESG performance indicators, please refer to the last page of the document.

Portfolio ESG score

A B C D E

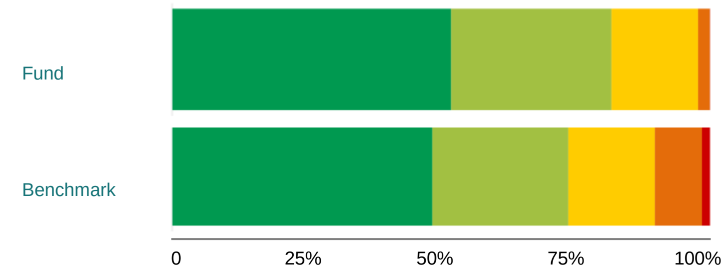
	Fund	Benchmark
Overall ESG score	**79**	74
Coverage rate	**94%**	98%

Score for E, S and G factors

	Fund	Benchmark
Environment	**67**	63
Social	**78**	71
Governance	**67**	67

Levels A B C D E refer to the five equal portions (quintiles) into which the universe is divided, with A being the best score and E the worst.

Portfolio distribution by ESG score



Overall ESG score	Fund	Benchmark
A	51,8%	48,3%
B	29,8%	25,3%
C	16,1%	16,1%
D	2,2%	8,8%
E	0,0%	1,5%

Best portfolio's ESG score

Value	Sector	Weight	ESG rating
WORLDLINE SA	Information Technology	4,31%	A
CELLNEX TELECOM SA	Communication Services	4,27%	A
EVONIK INDUSTRIES AG	Materials	4,07%	A
PUMA SE	Consumer discretionary	2,65%	A
LEG IMMOBILIEN SE	Real Estate	2,35%	A

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Data as of 30/12/2022

ESG performance indicators definition

Carbon intensity

The carbon intensity is the weighted average greenhouse gas (GHG) emissions per million euros of revenue. Scope 1, 2 and 3 emissions are taken into account.
Scope 1 and 2 correspond to emissions directly emitted by the company and those indirectly linked to its energy consumption. Scope 3 emissions are those emitted by the company's suppliers and those emitted during the use and end of life of the products it creates.
Source: Iceberg Data Lab, Groupama AM calculations.

Green part

The green share is the percentage of a company's revenue devoted to economic activities that contribute positively to energy and ecological transition.
Source: Iceberg Data Lab, Groupama AM calculations

Implied temperature

Implied temperature is the difference between a company's projected carbon intensity trajectory and the reference trajectory of a climate scenario compatible with the Paris Agreements.
Source: Iceberg Data Lab, Groupama AM calculations.

Net job creation

Average percentage of growth in number of employees over one year.
Source: Moody's ESG, Groupama AM calculations.

Training hours

Average number of training hours per employee per year.
Source : Vigeo Eiris, Groupama AM calculations.

Human rights policy

Proportion of portfolio made up of companies that have implemented a human rights policy.
Source : Moody's ESG, Groupama AM calculations.

Independence of directors

Proportion of portfolio made up of companies in which independent directors form a majority on the Board of Directors or Supervisory Board.
Source: Moody's ESG, Groupama AM calculations.

For more information on technical terms, please visit our website: www.groupama-am.com

Data source

Historical modifications of the benchmark (10 years)

31/12/2003 - 01/12/2022	EXANE EURO Convertible

Disclaimer