

**G FUND - GLOBAL CONVERTIBLE BONDS IC**

Sub-fund of the Luxembourg SICAV G FUND

**December 2022**

Data as of

**30/12/2022****Total net assets****93,46 M €****NAV per share****1 069,55 €****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****Characteristics**

Ticker Bloomberg	GGCBICE LX
Benchmark	Refinitiv Global Focus Hedged Convertible Bond Index (EUR)
SFDR classification	Article 8
Sub-fund inception date	13/12/2018
Reference currency	EUR
Unit inception date	13/12/2018
Last ex-dividend date	-
Amount of last dividend paid	-
PEA	-

**Fees**

Maximum subscription fees	3,00%
Maximum redemption fees	-
Maximum direct management fees	0,70%
Maximum indirect management fees	0,00%

Morningstar rating

(Data as of 30/11/2022)



Category " Convertible Bond - Global, EUR Hedged"

**Carbon intensity****484 tCO2**

vs 637 for the benchmark

**Green Part****1% of net assets**

vs 2% for the benchmark

**Implied temperature****2,66**

vs 2,89 for the benchmark

**Terms and conditions**

Valuation frequency	Daily
Type of share	Accumulation
Minimum initial subscription	150 000 €
Centralisation cut-off time	12:00, Luxembourg
Type of NAV per share	unknown
Payment	D+3
Centralizer	CACEIS BANK, Luxembourg branch

# G FUND - GLOBAL CONVERTIBLE BONDS IC

Convertible bonds

Data as of

30/12/2022

G FUND - GLOBAL CONVERTIBLE BONDS IC

REFINITIV GLOBAL FOCUS HEDGED CONVERTIBLE BOND INDEX (EUR)

## 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	-2,25	2,80	-18,53	-18,53	-0,59	-	-
Benchmark	-1,93	3,22	-17,84	-17,84	-1,99	-	-
Excess return	-0,31	-0,42	-0,69	-0,69	1,41	-	-

(\*) 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	0,70	21,18	7,32	-	-	-	-	-	-	-
Benchmark	-1,81	21,49	10,11	-	-	-	-	-	-	-
Excess return	2,51	-0,31	-2,79	-	-	-	-	-	-	-

Source : Groupama AM

## Risk analysis

	1 year	3 years	5 years	10 years
Volatility	12,43%	11,27%	-	-
Benchmark volatility	10,49%	10,95%	-	-
Tracking Error (Ex-post)	3,07	2,55	-	-
Information Ratio	-0,23	0,19	-	-
Sharpe Ratio	-1,65	-0,01	-	-
correlation coefficient	0,98	0,97	-	-
Beta	1,16	1,00	-	-

Source : Groupama AM

## Main risks related to the portfolio

- Interest rate risk
- Credit risk
- Liquidity risk
- Risk of capital loss

# G FUND - GLOBAL CONVERTIBLE BONDS IC

Convertible bonds

Data as of

30/12/2022

## UCI profile

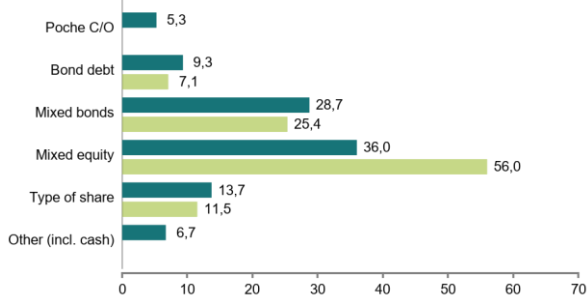
	Fund	indicateur_de_r eference
Number of holdings	191	205
Rating moyen (hors NR)	BB+	BB+
Modified duration	1,32	1,63
Total delta	49,78%	52,02%
Equity sensitivity	38,42%	40,13%
Credit spread	228,89	253,17
Average yield	0,61%	-2,08%
Duration	1,38	1,62

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

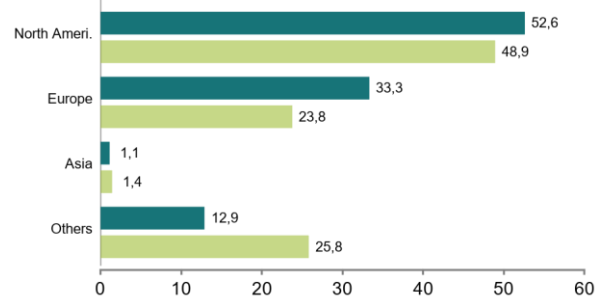
	% Assets	% equity risk
Convertible bonds	86,2%	86,7%
C/O Compartment*	6,1%	8,7%
duration	2,47	
yield	7,37	
CDS exposure	0,0%	
Equities	1,6%	3,3%
Other (incl. cash)	5,9%	0,0%
Hedging strategies	0,2%	1,3%
Total	100,0%	100,0%

Source : Groupama AM

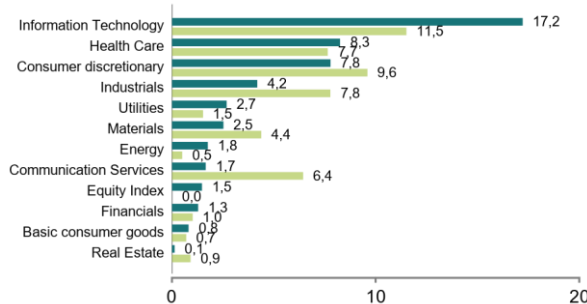
## Breakdown by profil (% of asset)



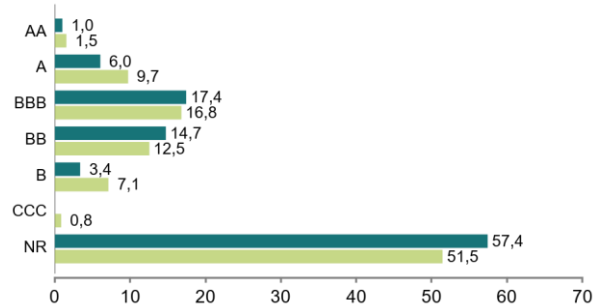
## Geographic breakdown (underlying equities, as % of exposure)



## 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
USD	65,2%	-2,9%	64,9%	-67,8%	1,0%
EUR	30,3%	104,7%	22,1%	82,6%	5,2%
CHF	2,2%	0,1%	1,7%	-1,6%	-0,1%
JPY	1,0%	-0,3%	7,7%	-8,0%	-0,3%
GBP	0,9%	-0,5%	1,0%	-1,4%	-0,7%
HKD	0,5%	-1,1%	1,6%	-2,7%	-1,8%
Others	0,0%	0,0%	1,2%	-1,2%	-3,2%

(\*) fund exposure net foreign currency hedges

## Largest holdings

Exposure per issuer in % of assets	Country	Fund	indicateur_de_reference
SIKA AG	Suisse	2,05%	1,34%
QIAGEN NV	Pays-Bas	1,97%	1,20%
PALO ALTO NETWORKS	USA	1,93%	0,00%
FORD MOTOR COMPANY	USA	1,90%	1,66%
NICE LTD	Israël	1,89%	0,33%

Equity risk exposure	Country	Fund	indicateur_de_reference
PALO ALTO NETWORKS INC	USA	1,64%	0,00%
SIKA AG-REG	Suisse	1,41%	0,92%
BOOKING HOLDINGS INC	USA	1,31%	0,64%
QIAGEN N.V.	Pays-Bas	1,29%	0,82%
INSULET CORP	USA	1,17%	0,00%

Source : Groupama AM

## Équipe de gestion

Jean FAUCONNIER

Julia KUNG

## Fund manager's report

Markets over the period: In December, equity markets suffered from recessionary expectations and the continued hawkish tone of the Fed and ECB on inflation (S&P -5.8%, Nasdaq 100 -9.0%, Stoxx 600 -3.4%, Nikkei -6.6%, MSCI Asia ex. Japan -0.3%). Both central banks announced a 50bps increase in their key rates while U.S. inflation came in at 7.1% year-on-year, slightly below expectations. Interest rates and credit spreads tightened during the month (the U.S. 10-year rose from 3.6% to 3.9%, the German 10-year from 1.9% to 2.6% and the Xover increased by 20 bps). Finally, the dollar continued its decline against the euro (from 1.04 to 1.07). Convertibles Universe: The Refinitiv Global Focus index was down -1.93% for the month, which is close to its theoretical delta (participating in about 50% of the MSCI World's decline). The primary market was very dynamic in the U.S. with 11 new issues for a total of nearly \$3.5 billion, including Marriott 3.25% 2027 and Axon 0.5% 2027 in which we participated. At the same time, the primary market was very quiet in Europe and Japan with no new issues in December. Portfolio and outlook: The fund underperformed slightly over the month, mainly due to our overweight in U.S. tech. In convertible bonds, our overweight in Palo Alto (-43bps), Guardant (-17), Nextera Energy Partners (-16) and Match (-11) contributed negatively. Conversely, our underweight positions in Royal Caribbean Cruises (+18), Southwest Airlines (+17), Liberty Media (+14) and Sunnova (+11) contributed positively. The C/O pocket contributed negatively (-24bps) with -8 bps on credit and -16 bps on equities (Google, Microsoft, Stellantis, Schneider). On the contrary, protections contributed positively with +14 bps on equities and +15 bps on rates. Within the portfolio, purchases were mainly made in the U.S. primary market with Axon, Chart Industries, and Marriott. We also arbitrated the Booking convertibles, which are very expensive in terms of valuation, towards options maturing in January 2025, which have an implicit volatility that is nearly 15 points lower. On the other hand, we sold Mitsubishi Chemical 2024 and On Semiconductor 2027. At the end of the month, the portfolio remained slightly underexposed in terms of equity and interest rate sensitivity compared with its benchmark.

## Key ESG performance indicators



Independence of directors

	Fund	Benchmark
Independence of directors	62%	49%



Net job creation

	Fund	Benchmark
Net job creation	22%	15%

## ESG performance indicators

Criteria	ESG performance indicator	Measurement		Coverage rate(*)	
		Fund	Benchmark	Fund	Benchmark
Environment	Carbon intensity (in tCO <sub>2</sub> )	484	637	70%	72%
Social	Net job creation (in %)	22%	15%	82%	85%
	Training hours (in hours)	24	26	42%	42%
Human Rights	Human rights policy (in %)	98%	87%	82%	85%
Governance	Independence of directors (in %)	62%	49%	82%	85%

(\*\*) 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



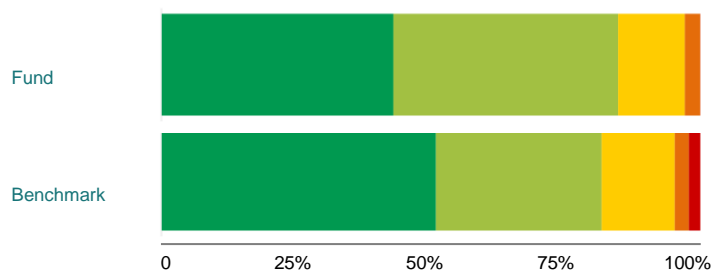
	Fund	Benchmark
Overall ESG score	77	77
Coverage rate	31%	27%

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.

## Score for E, S and G factors

	Fund	Benchmark
Environment	70	64
Social	77	75
Governance	66	68

## Portfolio distribution by ESG score



Overall ESG score	Fund	Benchmark
A	43,0%	50,9%
B	41,7%	30,8%
C	12,4%	13,6%
D	2,9%	2,6%
E	0,0%	2,1%

## Best portfolio's ESG score

Value	Sector	Weight	ESG rating
IBERDROLA SA	Utilities	1,64%	A
STMICROELECTRONICS NV	Information Technology	1,48%	A
BNP PARIBAS	Financials	0,99%	A
ZALANDO SE	Consumer discretionary	0,95%	A
PERNOD RICARD SA	Basic consumer goods	0,78%	A

## 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](http://www.groupama-am.com)

## Data source

© 2022 Morningstar. All rights reserved. The information, data, analysis and opinions contained herein (1) include proprietary information of Morningstar, (2) may not be copied or redistributed, (3) do not constitute investment advice offered by Morningstar, (4) are provided for information purposes only and, as such, do not constitute an offer to buy or sell any security, and (5) are not guaranteed to be correct, complete or accurate. Morningstar shall not be liable for any business decisions, damages or other losses caused by or related to such information, intelligence, analyses or opinions or their use.

## Historical modifications of the benchmark (10 years)

13/12/2018 - 30/12/2021

Thomson Reuters Global Focus Hedged Convertible Bond €

## Disclaimer

This document contains information about a sub-fund of G Fund ("the SICAV"), a Luxembourg-based undertaking for collective investment ("UCI"), covered by part I of the Luxembourg law of 20 December 2002 and constituted in the form of a Société d'Investissement à Capital Variable (open-end investment fund). The SICAV is registered with the Luxembourg Trade and Companies Register under number B157527. Its registered office is at 5, allée Scheffer, L-2520 Luxembourg. G Fund has been authorised for public sale by the Commission de Surveillance du Secteur Financier in Luxembourg.

Not all sub-funds of the SICAV will necessarily be registered or authorised for sale in all jurisdictions or be available to all investors. Before subscribing to a sub-fund, investors must take due note of the complete prospectus of the SICAV and of its latest annual and half-yearly reports and its articles of association. These documents are available free of charge at the registered office of the SICAV or at the registered office of the authorised representative accredited by the competent authority in each jurisdiction concerned.

Investing in the sub-funds of the SICAV carries certain risks. You should fully inform yourself of these risks before any subscription and ensure that you have understood the present document. We recommend that all potential investors contact an advisor to determine whether this investment is suited to their profile.

The performance of a sub-fund is not guaranteed and may go down as well as up. The past performance of a sub-fund is not a reliable indicator of its future performance. Performance is quoted excluding the costs and commissions charged for subscription/redemption.

Depending on your tax system, any capital gains or income resulting from ownership of units of this SICAV may be subject to taxation. You should consult your advisor for further information.

This document is not an investment recommendation, nor does it constitute an offer to buy nor a solicitation to sell in any country where the sub-funds of the SICAV are not authorised for sale or in which such offer or solicitation is unlawful.