UCITS governed by European Directive 2009/65/EC

PROSPECTUS

The shares or units of the fund mentioned herein ("the Fund") have not been registered under the US Securities Act of 1933 and may not be offered or sold directly or indirectly in the United States of America (including its territories and possessions), to US persons, as defined in Regulation S "US persons".

1 GENERAL CHARACTERISTICS

Name

GROUPAMA OBLIG EURO

Legal form and Member State in which the Fund was incorporated

French mutual fund (*Fonds Commun de Placement*, FCP)

Formation date:

4 July 1997

Planned term:

Fund initially formed for a 99-year term.

Summary of the fund management offer

Unit class	ISIN code	Distribution of distributable income	Currency of expression	Eligible subscribers	Minimum initial subscription	Maximum management fee	Net asset value at launch
G class	FR0010941336	Accumulation and/or distribution and/or retained	Euro	Reserved for Groupama Assurances Mutuelles companies, subsidiaries and regional banks	€300,000	0.70%	€10,000
I class	FR0000991473*	Accumulation	Euro	Reserved for institutional investors	One thousandth of a unit	0.80%	€152,449.02
M class	FR0011571769	Distribution and/or retained	Euro	Reserved for institutional investors excluding mandates managed by Groupama Asset Management or its subsidiaries	One thousandth of a unit	0.80%	€1,000
N class	FR0010292268	Accumulation	Euro	All subscribers	€500	1.20%	€500
O class	FR0013283496	Accumulation	Euro	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range	One thousandth of a unit	0.10%	€10,000
R class	FR0013283504	Accumulation	Euro	Reserved for investors subscribing via distributors or intermediaries providing advisory services within the meaning of the MiFID II European regulation, individual portfolio management services under mandate and when they are exclusively remunerated by their clients	One thousandth of a unit	0.90%	€500

* including all unitholders who subscribed before 4 October 2017.

Place where the latest annual report and interim financial statement may be obtained

Investors will be sent the Fund's latest annual documents and the composition of assets within eight working days of requesting them in writing from:

Groupama Asset Management, 25 rue de la Ville l'Evêque - 75008 Paris - France.

The documents are also available on the company's website at www.groupama-am.com.

Contact details:

For corporate and institutional investors: Groupama Asset Management's Business Development Department (sales office: 01 44 56 76 76).

For individual investors: Your distributor (GROUPAMA ASSURANCES MUTUELLES distribution networks; external distributors approved by Groupama Asset Management).

Additional information, if required, may be obtained from the Groupama Asset Management Business Development Department (Sales office: +33 (0)1 44 56 76 76).

2 ADMINISTRATORS

Management company

Groupama Asset Management, 25 rue de la Ville l'Evêque - 75008 Paris - France, a portfolio management company authorised by the *Commission des opérations de bourse* now superseded by the *Autorité des marchés financiers* (French Financial Markets Authority - AMF) under number GP 93-02 on 5 January 1993.

Conflict of interest management policy:

In order to identify, prevent, manage and monitor conflicts of interest that result from delegations, the management company has implemented a conflict of interest management policy available on request from your usual advisor or on the management company's website www.groupama-am.com.

Depositary – Custodian

CACEIS Bank, a credit establishment authorised by the ACPR on 01/04/2005, whose registered office is at 89-91 rue Gabriel Péri – 92120 Montrouge – France.

The custodian's duties, as defined by the applicable regulations, include custody of the assets, checking that the management company's decisions are lawful and monitoring UCIs' cash flows.

The custodian is independent of the management company.

The description of the delegated custodial duties, the list of representatives and sub-representatives of CACEIS Bank and information relating to conflicts of interest that may result from these delegations are available on the CACEIS website: www.caceis.com.

Updated information is made available to investors.

Clearing house for subscriptions/redemptions

- **Groupama Asset Management**, for pure registered units.

Following collection of these orders, Groupama Asset Management will forward them to CACEIS Bank in its capacity as an affiliate of Euroclear France.

- **CACEIS Bank**, by delegation of the management company, for bearer or administered registered units.

Institutions designated to receive subscriptions and redemptions, and responsible for respecting the clearing cut-off time indicated in the prospectus, by delegation of the management company**:**

CACEIS Bank

Deputy custodian for foreign assets:

BNP Paribas Securities Services – 3 rue d'Antin – 75002 Paris – France, a credit establishment authorised by the ACPR under number 41329.

Fund accounting

CACEIS Bank is responsible for the UCI's fund accounting, which includes the clearance of subscription and redemption orders for units of the UCI. It will process these orders in partnership with Euroclear France, with which the UCI is listed, and manage the UCI's unit issuance account for bearer or administered registered units.

Statutory Auditor

PricewaterhouseCoopers Audit, 63 rue de Villiers – 92200 Neuilly-sur-Seine – France.

Distributors

GROUPAMA ASSURANCES MUTUELLES distribution networks, based at 8-10 rue d'Astorg – 75008 Paris – France, and external distributors approved by Groupama Asset Management.

Accounting representative:

CACEIS FUND ADMINISTRATION, 89-91 rue Gabriel Péri – 92120 Montrouge – France, a credit institution authorised by the ACPR on 1 April 2005.

3 MANAGEMENT PRINCIPLES

3.1 General characteristics

Characteristics of units

- Type of right attached to the unit class:
  Each unitholder has a shared ownership right in the assets of the Fund in proportion to the number of units held.
- Unitholder Register and Fund Accounting:
  Fund accounting is provided by the custodian, CACEIS Bank.
  Unit administration is performed by Euroclear France.
- Voting rights:
  No voting rights are attached to the units, as decisions are made by the management company.
- Types of units:
  Units are registered and/or bearer units.
- Fractioning:
  Units are split into ten-thousandths of a unit for the G, I and N classes, and thousandths of a unit for the M, O and R classes.
  Only the feeder UCITS may make subscriptions and/or redemptions in cash.

Financial year end

- The last Paris Stock Exchange trading day in September.
- The first financial year end was the last Paris Stock Exchange trading day in March 1998.

Tax system

- The Fund is not subject to corporation tax. In accordance with the principle of transparency, the tax authorities consider the unitholder to be the direct owner of a share of the financial instruments and cash held in the Fund.
- The tax treatment of any capital gain or income from holding Fund units depends on tax provisions specific to the investor's own particular circumstances and/or on the tax provisions in the country where the investor resides. Investors should seek professional financial advice.
- The French tax system considers a switch from one unit class to another unit class to be a sale subject to capital gains tax.

3.2 Special provisions

ISIN codes of the unit classes:

- **I class**: FR0000991473
- **G class:** FR0010941336
- **M class:** FR0011571769
- **N class:** FR0010292268
- **O class:** FR0013283496
- **R class:** FR0013283504

Classification

"Bonds and other debt securities denominated in euros" UCITS

Investment in UCIs: maximum 10% of net assets.

Investment objective

The Fund's investment objective is to outperform its benchmark, the Bloomberg Euro Aggregate index, closing price, with net coupons reinvested.

This objective will be implemented via a managerial approach that promotes the sustainability of issuers through an analysis of the ESG (environmental, social and governance) characteristics of the securities held in the portfolio.

This Fund is a financial product that promotes environmental or social characteristics, or a combination of these characteristics, in accordance with Article 8 of the SFDR.

Benchmark index

The benchmark is the Bloomberg Euro Aggregate index, closing price, with net coupons reinvested.

The Bloomberg Euro Aggregate index, closing price, is composed of government bonds, investment grade bonds from public and private issuers (financial, corporate and utilities). All are fixed-rate issues denominated in euros.

The Fund does not seek to replicate the index, but to outperform it. As such, the performance of the index may be different from that of the Fund. However, the market risk of the Fund is similar to that of the benchmark.

Investment strategy

- Description of the strategies used:
  - ◗ Fund strategy:

The main value-added sources of our multi-class bond management procedure (“aggregate” hereafter) are:

- An active management of the sensitivity and the positioning on the rates curve;
- An active allocation between private bonds, quasi-government bonds and government bonds;
- A sector allocation and selection of securities;
- Diversification using other strategies (convertible bonds, inflation-indexed, etc.);
- Arbitrage strategy.

The information concerning the sensitivity range within which the Fund is managed is shown in the table below:

Interest rate sensitivity range within which the UCITS is managed	Geographical area of issuers of securities or underlying assets of securitisation products	Level of exposure to securities in this area*
0 to 10	Any issuer whose issues are denominated in euros	80 - 110%
	Any issuer whose issues are denominated in currencies other than the euro	0% - 10%

*excluding exposure via derivatives

◗ Portfolio composition strategy:

Eligible investment universe selection strategies

The investment strategy of the UCITS is based on several approaches:

- Allocation between asset classes: monitoring this allocation makes it possible for the UCITS to position itself on the most profitable asset classes, based on the market configuration identified. The allocation determines the weighting of the asset classes belonging to the index and of the diversified asset classes.

- Selection of securities: exposure to several asset classes and an aggregate view of them all makes it possible to optimise positioning in terms of issuers and securities, on economic, financial and extra-financial criteria. Taking into account social, environmental and governance factors ensures the short- and long-term performance of an investment, given that there is a better understanding of risks and opportunities. The management strategy is based on the complementary nature of financial and extra-financial analysis to identify the securities that we believe to be a sustainable strategy in the long term. An analysis is then performed of the economic outlook of the sector in which each company operates as well as the fundamentals of the country or economic region in which it operates.

- The Directional Committee:
  - Actively steering the overall sensitivity of the portfolio: market expectations on rates variations are at the heart of the directional strategy of the UCITS.
  - An allocation across the various countries of the eurozone: the Fund's manager aims to select the geographical areas that will deliver the best performance, for fundamental or technical reasons such as flows.
  - A curve positioning strategy for each of the geographical areas, taking account of expected monetary policy, auction schedules and other flow types.

- Diversification of the portfolio via interest rate derivatives, high-yield/non-rated bonds, inflation-indexed bonds, convertible bonds and emerging bonds:
  - Derivative-based strategies enable the Fund's overall exposure to rates to be managed and its curve positioning to be optimised.
  - Diversification into inflation-indexed bonds capitalises on any expected increases in inflation.
  - Diversification into high-yield/non-rated bonds, convertible bonds and emerging bonds will be introduced within the portfolio if the asset class in question is expected to outperform the benchmark index, or in specific cases of curve or country arbitrage.

The Fund may invest in contingent convertible bonds (CoCo bonds), issued by financial institutions, in order to achieve a potentially higher return linked to their subordination, in return for a higher risk.

<u>Integration of ESG criteria:</u>

The ESG approach applied to the UCITS takes into account criteria relating to each environmental, social and governance factor. Within the ESG investment universe (around 2,600 stocks including government bonds from developed and emerging countries, as well as investment grade or high yield private debt), the stocks are rated from 0 to 100 according to a best-in-universe approach, meaning that 20% of the best-rated stocks have a score between 80 and 100, regardless of their business sector.

Environmental, Social and Governance criteria are the three pillars of extra-financial analysis used to evaluate a company. The Environmental criteria analyse the positioning and ability of companies to adapt to the energy and ecological transition, as well as the impact of their activities in terms of biodiversity protection, waste management, pollution, water management and quality, and raw material consumption.

The Social/Societal criteria include, on the one hand, an analysis of the company's human capital (skills management, training, corporate culture, work environment etc.) and on the other hand, an analysis of its societal impact (external relations with customers, suppliers and communities etc.).

The Governance criteria relate to the way in which the company is managed, run and controlled, including its relationship with its shareholders, board of directors and management, and the extent to which sustainability issues are integrated into strategy and external communication. The Governance analysis examines whether the supervisory framework of the company is effective in ensuring that management is successfully implementing its strategy and whether it is working in the interests of all shareholders and stakeholders.

The investment universe is divided into five quintiles, with each quintile representing 20% of the investment universe in terms of number of securities. The securities rated as Quintile 1 represent the best ESG ratings within the investment universe, while those rated Quintile 5 represent the worst ratings.

The selection within the eligible ESG investment universe is specified upstream in accordance with the following criteria:

- Exclusion of stocks belonging to the "Major ESG Risks" list: Groupama Asset Management tracks a list of stocks considered to carry significant ESG risks (the "Major ESG Risks" list). These are companies whose ESG risks could call into question their economic and financial viability or could have a significant impact on the value of the company and thus lead to a substantial loss in market value or a significant downgrade by rating agencies.

- Exclusion of sectors deemed to be incompatible with Groupama Asset Management's commitment policy: companies involved in coal mining and coal-related energy production as well as companies known to be involved in controversial weapons activities (cluster bombs and anti-personnel mines) are excluded from the Subfund's investment scope.

- Exclusion of securities belonging to Quintile 5 of the investment universe (representing 20% of the lowest-rated companies).

The process of selecting securities in the portfolio must result in a minimum screening and monitoring rate of 90% of the portfolio's ESG ratings, excluding cash, over a rolling 12-month period.

Integration of the EU Taxonomy:

Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the **EU Taxonomy** or the **Taxonomy Regulation**) aims to identify environmentally sustainable economic activities. It identifies these activities based on their contribution to six overarching environmental objectives:

- climate change mitigation,
- climate change adaptation,
- the sustainable use and protection of water and marine resources,
- the transition to a circular economy (waste, reduction and recycling),
- pollution prevention and mitigation, and
- the protection and restoration of biodiversity and ecosystems.

To be considered as sustainable, an economic activity must demonstrate that it makes a material contribution to achieving one of the six objectives, without prejudice to any of the other five (the "Do No Significant Harm" principle, hereinafter the **DNSH** principle). The DNSH principle applies only to the underlying investments of the financial product that take account of the European Union's criteria for environmentally sustainable economic activities. The underlying investments of the remaining portion of this financial product do not take account of the European Union's criteria for environmentally sustainable economic activities. For an activity to be considered aligned with the EU Taxonomy, it must also uphold the human and social rights enshrined in international law.

For this Fund, the estimated proportion of environmentally sustainable investments as defined in the Taxonomy Regulation is 0%.

The underlying investments of the remaining portion of this financial product do not take account of the European Union's criteria for environmentally sustainable economic activities.

<u>Methodological limitations</u>:

The ESG approach developed by Groupama Asset Management is centred around a quantitative and qualitative analysis of the environmental, social and governance practices of the stocks in which it is invested. The main limitation of this analysis relates to the quality of the available information. Indeed, ESG data is not yet standardised, and our analysis is ultimately based on qualitative and quantitative data provided by the companies themselves, some of which may still be fragmented and heterogeneous. To overcome this limitation, Groupama Asset Management focuses its analysis on the most important aspects of the sectors and companies analysed. For more detailed information on the rating methodology implemented in the Fund and its limitations, investors are invited to read the Groupama Asset Management Transparency Code, which is available at www.groupama-am.com.

- ◗ Management style:

  The Fund adopts an active management style aimed at outperforming its benchmark.

- Assets, excluding embedded derivatives:
  - ◗ Debt securities and money market instruments:
    - Legal types of instruments used:

      The underlying UCITS' assets are composed of fixed-rate bonds, EMTNs* (Euro Medium Term Notes), negotiable debt securities, inflation-linked variable-rate bonds, securitisation vehicles (via special-purpose vehicles), contingent convertible bonds (CoCo bonds), mortgage-backed securities and structured products.

      Contingent convertible bonds (CoCo bonds) are hybrid debt and equity products: they are issued as debt but are automatically converted into shares when the financial institution (in this case) is in difficulty. The bonds will therefore be converted into shares at a predetermined price, at the time when the triggering criteria (level of losses, downgraded level of capital and of equity capital ratios, downward price earnings ratio, etc.) are activated.

      The use of securitisation vehicles is limited to a maximum 10% of the Fund's net asset value.

      *EMTN which may be structured, provided that the underlying instrument is an interest rate or inflation instrument from the eurozone.

    - Breakdown of private/public debt:

      The Fund will be invested in issuers from both the private sector and the public sector.

    - Selection criteria based on rating agencies:

      Up to 80% of the Fund's net assets are invested in securities rated equal to or higher than BBB- (Standard and Poor's or a rating management company).

      The manager relies on his/her own analysis of the credit risk of the selected instruments, which may be based on the expertise of the internal credit analysis team, in order to evaluate the risk of issuers in the portfolio, and on credit ratings issued by external entities.

      Up to 20% of the Fund's net assets may be invested in high-yield speculative securities and up to 5% in unrated securities.

      The Fund may invest up to 20% of its net assets in bonds from emerging issuers denominated in euros or currencies subject to hedging against exchange rate risk.

      The limit for investments in bonds from emerging issuers, speculative high-yield securities and non-rated securities is set at a maximum of 20% of the Fund's net assets.

      The Fund may invest up to 10% of its assets in contingent convertible bonds.

- Duration:

  The duration of the selected securities ensures that the Fund's overall sensitivity is maintained between 0 and 10.

- Holding of shares or units of other UCITS, AIFs or foreign investment funds:

  The UCITS may hold up to 10% of its net assets in units or shares of French or European UCIs.

  Money market UCIs will be used to optimise the cash management of the UCITS.

  The UCIs may be those managed directly or indirectly by Groupama Asset Management.

  External UCIs will be subjected to close review in terms of their management procedures, performance, risk, and any other qualitative or quantitative criteria that may enhance the quality of management in the short, medium or long term.

  Up to 10% of the Fund's net assets may be invested in trackers (i.e. listed index entities).

- Derivative instruments and securities with embedded derivatives:

  The use of derivatives and securities with embedded derivatives is authorised subject to a maximum commitment of 100% of the Fund's net assets and, consequently, this has an impact on both performance and investment risk.

  However, these make it possible to become exposed to or hedge against a specific risk, and in that respect they increase the strategy's flexibility. With this in mind, derivatives will occasionally be used to maximise performance.

Risks in which the manager intends to trade	
Equity	
Interest rate	x
Foreign exchange	x
Credit	x

	Types of markets targeted			Types of trades			
	Regulated	Organised	Over-the-counter	Hedging	Exposure	Arbitrage	Other
Derivative instruments used							
Futures							
- Equities							
- Interest rates	x	x		x	x	x	
- Currencies	x	x		x	x	x	
Options							
- Equities							
- Interest rates	x	x	x	x	x	x	
- Foreign exchange	x	x	x	x	x	x	
Swaps							
- Equities							
- Interest rates			x	x	x	x	
- Inflation			x	x	x	x	
- Foreign exchange			x	x	x	x	
- Total Return Swaps			x	x	x	x	
Forward currency contracts							
Forward currency contracts			x	x	x	x	
Credit derivatives							
- Single entity credit default swaps and basket default swap(s)			x	x	x	x	
- CDS on indices			x	x	x	x	
- Options on CDS			x	x	x	x	
- Structuring for basket credit derivatives (CDO tranches, iTraxx tranches, FTD, NTD, etc.)			x	x	x	x	
Other							
- Equity							
Securities with embedded derivatives							
Warrants							
- Equities							
- Interest rates	x	x	x	x	x	x	
- Foreign exchange	x	x	x	x	x	x	
- Credit	x	x	x	x	x	x	
EMTN							
- EMTN			x	x	x	x	
Subscription warrants							
Others							
- EMTNs							
- Convertible bonds			x	x	x	x	
- Contingent convertible bonds (CoCo bonds)			x	x	x	x	
- Callable or puttable bonds	x	x	x	x	x	x	
- Credit-linked notes (CLN)							

- Total return swaps (TRS)
  - General description and justification of the use of TRS:

    The total return swap (TRS) used is a swap contract of an index consistent with the management objective, for an interim payment indexed to the benchmark money market rate.

  - Types of assets that may be subject to such contracts:
    - Negotiable debt securities
    - Bonds

  - Information on counterparties and clarification as to whether or not there is discretionary power:

    These TRS are carried out without the counterparty having any discretionary decision-making power or any power over the composition or management of the Fund's portfolio or over the underlying assets of the TRS. The approval of the counterparty is not required for any transaction relating to the Fund's portfolio.

  - Criteria determining TRS counterparty selection:

    These contracts will be concluded with credit institutions with a minimum rating of "Investment Grade" or a rating deemed equivalent by the management company, the registered office of which is located in an OECD member country.

  - Use:

    Maximum use: 100% of net assets

    Expected use: 100% of net assets

- Counterparty selection criteria

  Counterparties on over-the-counter instruments (over-the-counter derivatives and effective management techniques) are selected through a specific procedure in force within the management company; the main selection procedures relate to their financial solidity, their expertise on the types of transactions envisaged, general contractual clauses and specific clauses relating to techniques for mitigating counterparty risk.

- Deposits

Up to 10% of the Fund's net assets may be in the form of deposits at credit establishments based in a Member State of the European Union or European Economic Area, with a term of less than 12 months, as a store of cash will be used as needed.

- Cash borrowings

  In the event of high-value redemptions, the manager may, on an exceptional and temporary basis, borrow cash up to 10% of the Fund's net assets from the custodian.

- Temporary purchases and sales of securities
    - Types of transactions:
  - Repurchase or reverse repurchase agreements in compliance with the French Monetary and Financial Code
  - Loans and borrowings of securities in compliance with the French Monetary and Financial Code

    - Types of trades:

  They shall mainly aim to allow:
  - Adjustment of the breakdown of sensitivity on the curve
  - Arbitrages of curves

- Investment of liquidities.

  - Types of assets that may be subject to such transactions:
- Negotiable debt securities
- Bonds

  - Level of use anticipated and authorised:
- Repurchase and reverse repurchase agreements:
  - Maximum use: 100% of net assets,
  - Expected use: approximately 10% of net assets.
  - Securities lending:
  - Maximum use: 100% of net assets,
  - Expected use: approximately 10% of net assets.

- Criteria determining counterparty selection

These transactions will be concluded with credit institutions with a minimum rating of “Investment Grade” or a rating deemed equivalent by the management company, the registered office of which is located in an OECD member country.

Since the UCITS may use derivatives and have recourse to cash loans and temporary purchases and sales of securities, the portfolio’s total level of exposure will not exceed 200% of the net assets.

For further information on the conditions of remuneration from temporary sales and purchases of securities, please refer to the “Charges and fees” section.

Information relating to the Fund's financial guarantees:

The GROUPAMA OBLIG EURO Fund complies with the investment rules for financial collateral that are applicable to UCITS and does not apply specific criteria in addition to these rules.

Within the context of temporary purchases and sales of securities and over-the-counter derivatives transactions, the Fund may accept securities (such as corporate and/or government bonds) or cash as collateral.

Only the cash collateral received will be reinvested, in accordance with the rules applicable to the Fund.

All of these assets must be issued by high-quality issuers that are liquid, have low volatility, are diversified and which are not an entity of the counterparty or its group.

These assets received as collateral will be retained by the custodian of the UCITS on specific accounts. Management of margin calls will be undertaken on a daily basis.

The discounts applied to the collateral received take into account, in particular, credit quality, the volatility of the prices of securities as well as the result of stress tests performed in accordance with the regulations in force.

The level of financial guarantees and the discount policy are set in accordance with the regulations in force.

Risk profile

- Capital loss risk

  Investors will be exposed to the risk of losing their invested capital, since the Fund does not offer a capital guarantee.

- Interest rate risk

  Investors are exposed to interest rate risk. Interest rate risk is the risk that bond market interest rates may rise, which would cause bond prices to fall and consequently the net asset value of the Fund to fall.

  For the Fund, this exposure translates into a 0-to-10 sensitivity range.

- Credit risk

  This is the possibility that the credit quality of public or private issuers may fall, which will have a negative impact on the share price and thus the Fund's net asset value.

  In the event of default or degradation of the credit quality of issuers, not anticipated by the markets, for example a downward re-rating by financial rating agencies, the value of the bonds in which the Fund is invested will fall, causing the Fund's net asset value to fall. The degree of exposure may be adjusted by purchasing or selling protection through Credit Default Swap agreements.

  Credit risk also exists in connection with temporary purchases and sales of securities if, at the same time, the counterparty for these transactions defaults and the issuer of the collateral received declares a default on the debt securities received as collateral.

- Risk linked to the use of high-yield speculative securities

  This Fund must be considered as being partly speculative and is intended more specifically for investors who are aware of the risks inherent in investments in securities with a low or non-existent rating. As such, the use of high-yield securities may lead to a higher risk of a fall in the Fund's net asset value.

- Risk linked to the use of derivatives:

  Using derivatives may increase or decrease the volatility of the Fund by respectively increasing or decreasing its exposure.

  A derivative may also expose the strategy to a specific component that is not systematically taken into account in the sensitivity range, such as inflation expectations. Nevertheless, the exposure to derivatives is limited to a commitment of 100% of the Fund's net assets.

- Risk linked to assets from securitisation

  Up to a maximum of 10% of the Fund's assets may be exposed to securitisation instruments.

  For such instruments, with a rating equivalent to AAA (Standard and Poor's or rating agencies deemed equivalent by the management company), the credit risk is mainly based on the quality of the underlying assets, which may cover a range of different types (bank debt, debt securities, etc.).

  These instruments are complex and may involve legal risks and specific risks linked to the characteristics of the underlying assets.

  If these risks materialise, the Fund's net asset value will fall.

- Counterparty risk

  Counterparty risk exists and relates to the conclusion of over-the-counter financial futures contracts or transactions involving temporary purchases and sales of securities. It consists of assessing the risks for an entity in terms of the commitments linking it to the counterparty with which the contract has been concluded. This therefore refers to the default risk of the counterparty, causing it to default on payment. This risk is nonetheless limited by the establishment of financial guarantees.

- Risk linked to arbitrage

  As the management of the Fund is partly based on anticipating changes to the interest rate market, there is a risk that the management company may poorly anticipate such changes. If the arbitrage suffers a downturn, the Fund's net asset value may fall.

- Risks associated with financing transactions on securities, total return swaps and the management of financial collateral:

  The use of temporary purchases and sales of securities and total return swaps may increase or reduce the net asset value of the Fund.

  The risks associated with these transactions and with the management of financial collateral are credit risk, counterparty risk and liquidity risk as defined above.

  Furthermore, the operational or legal risks are very limited due to an appropriate operating process, the custody of collateral received by the custodian of the Fund and the supervision of this type of operation in framework agreements concluded with each counterparty.

Finally, the risk of collateral reuse is very limited since only cash collateral is reused in accordance with the regulations relating to UCITS.

- Risks associated with contingent convertible bonds (CoCo bonds):
  - Trigger level risk

  A CoCo bond is a hybrid bond for which the trigger level depends on the solvency ratio of its issuer. The trigger level of a CoCo bond is the event that determines the bond's conversion into ordinary shares. The lower the solvency ratio, the greater the likelihood of conversion, all other things being equal. In addition to the risk of default on senior or subordinated debt, the resolution authority may impose a percentage of loss, firstly affecting shareholders and then the holders of CoCo bonds (without necessarily reaching the solvency ratio conversion threshold).

  - Call extension risk

  Certain CoCo bonds are debt securities considered permanent. The maturity date initially proposed may be exceeded. Hence a CoCo bond investor risks recovering their capital at a later date than initially expected.

  - Coupon cancellation risk

  CoCo bonds give entitlement to the payment of a coupon at a specified frequency. Issuers of certain types of CoCo bonds may cancel coupon payment: the non-payment of a coupon is definitive, at the discretion of the issuer or per bond (such cases are related to the rules restricting coupon payments according to the level of capital). This suspension of coupon payments may arise even when the bank pays dividends to its shareholders and variable remuneration to its employees. The amount of interest attached to this type of CoCo bond is therefore variable. The risk therefore applies to the frequency and the amount of remuneration of this type of bond.

  - Capital structure inversion risk

  Contrary to the conventional capital hierarchy, investors in CoCo bonds may, in certain circumstances, incur a capital loss before the shareholders. This may be the case, in particular, when the conversion threshold is high.

  - Yield/valuation risk

  The often attractive yield of CoCo bonds may be considered a complexity premium. Investors must take into account the underlying risks of CoCo bonds.

  - Unknown risk

  CoCo bonds are recent instruments whose behaviour during times of stress is unknown.

- Exchange rate risk

  The Fund may be exposed to issuers denominated in currencies other the Fund's reference currency (the euro). The portfolio will be hedged against exchange rate risk. The residual exchange rate risk will be less than 3%.

- Sustainability risk:

  Sustainability risks, comprising those on the Major ESG (Environmental, Social and Governance) Risks list and the coal policy, are taken into account during decision-making as follows:

- Major ESG Risks list: this list comprises companies whose ESG risks could call into question their economic and financial viability, or could have a significant impact on the company's value and brand, thus resulting in a significant fall in market value or a significant downgrade by rating agencies. The securities comprising this list are excluded from the UCITS.

Coal policy: the purpose of this policy is to reduce the exposure of the Fund to climate risks, whether these be physical risks or transitional risks. In order to limit these risks, an excluded stocks list has been defined according to the criteria stipulated in Groupama AM's general policy, which is available at www.groupama-am.com. These stocks are excluded. There may be several impacts resulting from the emergence of a sustainability risk and they may vary depending on the specific risk, region and asset class. In general, when a sustainability risk occurs for an asset, it will cause a negative impact on the asset or a total loss in its value.

Guarantee or protection:

None.

Eligible subscribers and typical investor profile

G class: Reserved for Groupama SA's companies, subsidiaries and regional banks.

N class: Open to all subscribers.

I class: Reserved for institutional investors.

M class: Reserved for institutional investors excluding mandates managed by Groupama Asset Management or its subsidiaries.

O class: Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range.

R class: Reserved for investors subscribing via distributors or intermediaries providing advisory services within the meaning of the MiFID II European regulation, individual portfolio management services under mandate and when they are exclusively remunerated by their clients.

The GROUPAMA OBLIG EURO Fund is aimed at investors seeking an actively managed portfolio of bonds invested in bond asset classes from the eurozone, over a period longer than 3 years, and who can accept capital risk.

The recommended investment term is more than three years.

Proportion suitable for investment in the UCITS: All bond investments are subject to interest rate fluctuations, and private-sector bond issuers carry a risk of default. The amount that might reasonably be invested in the Fund should be determined with reference to the investor's personal situation. To determine this, investors should take into consideration their personal assets, their needs at the present time and over the next three years, and the level of risk they are willing to accept.

Investors are also advised to diversify their investments sufficiently to avoid being exposed exclusively to the risks of this Fund.

Investment diversification: this should be achieved by investing in different classes of assets (money market instruments, bonds and equities), and in different sectors and geographical regions so as to spread the risks more effectively and optimise portfolio management by taking market trends into account.

Income calculation and appropriation methods

This is a multi-class Fund:

- I, N, O and R classes: accumulation.
- M class: distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
- G class: accumulation and/or distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.

Characteristics of units

- Net asset value at launch of the units:
  - I class: €152,449.02
  - G class: €10,000
  - M class: €1,000
  - N class: €500
  - O class: €10,000
  - R class: €500.
- Currency of units: euro.
- Split into ten-thousandths of a unit for G, I and N classes and into thousandths of a unit for M, O and R classes. Only the feeder UCITS may make subscriptions and/or redemptions in cash.

Subscription and redemption procedures

Subscription and redemption requests are cleared every day until 11:00 am

- by CACEIS Bank,
- and Groupama Asset Management for pure registered units.

- Subscription and redemption orders received before 11:00 am are executed on the basis of the day's net asset value.
- Subscription and redemption orders received after 11:00 am and those received on a non-business day are executed on the basis of the net asset value on the next business day.
- They are executed on an unknown net asset value basis with settlement on D+3 Euronext Paris.
- The Fund's net asset value is calculated every trading day except for official French public holidays. The reference calendar is that of the Paris Stock Exchange.

Orders are executed in accordance with the table below:

D	D	D: NAV calculation date	D+1 business day	D+3	D+3
Clearing of subscription orders before 11 a.m.[1]	Clearing of redemption orders before 11 a.m.[1]	Execution of the order no later than D	Publication of the net asset value	Settlement of subscriptions	Settlement of redemptions

- The net asset value may be obtained from: the offices of Groupama Asset Management.
- Subscriptions may be made in full amounts or in ten-thousandths of a unit for the G, I and N classes and in full amounts or thousandths of a unit for the M, O and R classes.
- Redemptions may be made in exact amounts or in ten-thousandths of a unit for the G, I and N classes and in exact amounts or in thousandths of a unit for the M, O and R classes.
- The full redemption of the units may only be expressed in terms of quantity.

- Minimum initial subscription:
  - G class: €300,000
  - I class: one thousandth of a unit
  - M class: one thousandth of a unit
  - N class: €500
  - O class: one thousandth of a unit
  - R class: one thousandth of a unit

[1] *Unless you have agreed a specific deadline with your financial institution.*

Fees and commissions

- Subscription and redemption fees

Subscription fees increase the subscription price paid by the investor, while redemption fees decrease the redemption price. The fees accruing to the Fund compensate it for the costs it has to pay to invest or divest the holdings of the Fund. The remaining fees accrue to the management company, distributor, etc.

I and N classes:

Charges borne by the investor, collected at the time of subscription or redemption	Base	Rate
Subscription fees not accruing to the Fund*	Net asset value x Number of units or shares	Maximum rate: 2.75%
Subscription fees accruing to the Fund	Net asset value x Number of units or shares	None
Redemption fees not accruing to the Fund	Net asset value x Number of units or shares	None
Redemption fees accruing to the Fund	Net asset value x Number of units or shares	None

** Bank charges of up to 50 euros per transaction are added to these fees in Italy.*

M, R, G and O classes:

Charges borne by the investor, collected at the time of subscription or redemption	Base	Rate
Subscription fees not accruing to the Fund*	Net asset value x Number of units or shares	Maximum rate: 4%
Subscription fees accruing to the Fund	Net asset value x Number of units or shares	None
Redemption fees not accruing to the Fund	Net asset value x Number of units or shares	None
Redemption fees accruing to the Fund	Net asset value x Number of units or shares	None

** Bank charges of up to 50 euros per transaction are added to these fees in Italy.*

- Operating and management fees

These fees include all those charged directly to the Fund, except for transaction charges. Transaction charges include intermediary fees (brokerage fees, stock market taxes, etc.) and the transaction fee, if any, that may be charged, notably by the custodian and the management company.

The following fees may be charged in addition to the operating and management fees:

- Outperformance fees. These reward the management company if the Fund's performance exceeds its objectives. They are therefore charged to the Fund;
- Transaction fees charged to the Fund.

Regarding ongoing charges invoiced to the Fund, please refer to the “Charges” section of the Key Investor Information Document (KIID).

I and M classes:

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (Statutory Auditors, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.80% (taxes included)
Maximum indirect fees (commissions and management fees)	Net assets	Not significant*
Transaction fee accruing to the custodian, Caceis Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

* Not significant, the UCITS held in the portfolio being below 20%

** Depending on complexity

*** Refer to the fee schedule below “Transaction fees accruing to the Management Company”

G class:

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (Statutory Auditors, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.70% (taxes included)
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian, Caceis Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

* Not significant, the UCIs held in the portfolio being below 20%

** Depending on complexity

*** Refer to the fee schedule below “Transaction fees accruing to the Management Company”

N class:

Fees charged to the UCITS	**Base**	**Rate**
Management fees including external management fees (Statutory Auditors, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 1.20% (taxes included)*
Maximum indirect fees (management fees and charges)	Net assets	Not significant**
Transaction fee accruing to the custodian, Caceis Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150*** incl. tax
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument****
Performance fee	Net assets	None

* Of which 0.75% is the financial management fee

** Not significant, the UCIs held in the portfolio being below 20%

*** Depending on complexity

**** Refer to the fee schedule below "Transaction fees accruing to the Management Company"

O class:

Fees charged to the UCITS	**Base**	**Rate**
Management fees including external management fees (Statutory Auditors, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.10% (taxes included)
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian, Caceis Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

* Not significant, the UCIs held in the portfolio being below 20%

** Depending on complexity

*** Refer to the fee schedule below "Transaction fees accruing to the Management Company"

R class:

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (Statutory Auditors, custodian, distribution, lawyers etc.)	Net assets	Maximum rate: 0.90% (taxes included)*
Maximum indirect fees (management fees and charges)	Net assets	Not significant*
Transaction fee accruing to the custodian, Caceis Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150** incl. tax
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Performance fee	Net assets	None

* Not significant, the UCIs held in the portfolio being below 20%
** Depending on complexity
*** Refer to the fee schedule below “Transaction fees accruing to the Management Company”

- Transaction fees accruing to the management company

Transaction fee accruing to the management company By type of instrument	Base	Maximum rate and/or scale
Equities and equivalent	Deducted from each transaction	0.10% incl. tax
Convertible bonds	Deducted from each transaction	0.05% incl. tax
Corporate bonds	Deducted from each transaction	0.05% incl. tax
Government bonds	Deducted from each transaction	0.03% incl. tax
Exchange rate, including over the counter (OTC)	Deducted from each transaction	0.005% incl. tax
Interest rate swaps (IRS)	Deducted from each transaction	0.02% incl. tax
Credit default swaps (CDS) and asset-backed securities (ABS)	Deducted from each transaction	0.03% incl. tax
Listed derivatives (per lot)	Deducted from each transaction	€2

Any exceptional legal costs linked to the recovery of the UCI’s receivables may be added to the charges shown above.

All income from transactions involving the temporary acquisition and sale of securities accrues to the Fund.

Charges, costs and fees in respect of these transactions are charged by the custodian and paid by the Fund.

The contribution to the AMF will be borne by the Fund.

- Selection of intermediaries:

Managers have a list of authorised brokers. A Broker Committee meets every six months to assess managers' evaluations of brokers and the entire value-adding chain covering analysts, middle office etc., and to justify inclusion of new brokers and/or exclusion of others.

Based on their expertise, each manager reports in terms of the following criteria:

- Quality of price execution
- Liquidity offered
- Broker's longevity
- Quality of operations, etc.

4 COMMERCIAL INFORMATION

All information relating to the Fund may be obtained by writing to:

Groupama Asset Management

25 rue de la Ville l'Evêque - 75008 Paris - France

or by going to the website: http//www.groupama-am.com

The net asset value of the Fund is available on the website: www.groupama-am.com and/or on request from Groupama Asset Management.

The latest annual and interim documents are available to unitholders by writing to:

Groupama Asset Management

25 rue de la Ville l'Evêque - 75008 Paris - France

Subscription/redemption requests are cleared by:

CACEIS Bank

89-91 rue Gabriel Péri – 92120 Montrouge - France

Information on environmental, social and governance quality criteria (ESG):

Further information on the way the management company takes ESG criteria into account is available in the Fund's annual report and on the website of Groupama Asset Management (www.groupama-am.com).

5 INVESTMENT RULES

The Fund complies with the regulatory ratios applicable to UCITS funds, as defined by the French Monetary and Financial Code.

6 TOTAL RISK

The total risk of this Fund is determined using the commitment approach.

7 ASSET VALUATION AND ACCOUNTING RULES

7.1 Valuation methods

Securities traded on a French or foreign regulated market, including ETFs

- Securities traded in the eurozone:

  => Last price on the valuation day.

For interest rate products, the management company reserves the right to use consensus prices when these are more representative of the market value.

Foreign securities denominated in currencies other than the euro are translated into euros at the exchange rate in Paris on the valuation day.

Transferable securities whose price has not been calculated on the valuation day are valued at the last officially published price. Securities for which prices have been adjusted are valued at their probable market value under the responsibility of the Fund's manager or the management company.

Fund shares and securities

Fund units or shares are valued at their last known net asset value.

Negotiable debt securities

Negotiable debt securities (short-term and medium-term, bills issued by financial institutions, bills issued by specialist financial institutions) are valued according to the following rules:

- on the basis of the actual market traded price;
- in the absence of a meaningful market price, by applying an actuarial method, the reference rate being that of the issuances of equivalent securities increased, where applicable, by a differential reflecting the intrinsic characteristics of the issuer.

Over-the-counter transactions

Transactions agreed on over-the-counter markets and authorised by the regulations applicable to UCIs are valued at their market value.

Futures and options transactions

- Futures contracts on derivatives markets are valued at the same day settlement price.
- Options on derivatives markets are valued at the day’s closing price.

Temporary purchases and sales of securities

- Temporary purchases of securities

  Securities received under repurchase agreements or borrowed securities are entered in the long portfolio under “Receivables representing securities received under repurchase agreements or borrowed securities” at the amount provided for in the contract, plus interest receivable.

- Temporary sales of securities

  Securities sold under repurchase agreements or loaned securities are entered in the portfolio and valued at their current value.

  The debt representing the securities transferred under repurchase agreements such as in the case of loaned securities is entered in the short portfolio at the value set in the contract plus accrued interest. On settlement, the interest received or paid is recognised as income from receivables.

- Collateral and margin calls

  Collateral received is valued at the market price (mark-to-market).

Daily fluctuation margins are calculated using the difference between the valuation at market price of collateral provided and the valuation at market price of collateralised instruments.

Valuation methods for off-balance sheet commitments:

- Futures contracts are valued at nominal x quantity x settlement price x (currency)
- Options contracts are valued at their underlying equivalent
- Swaps
  - Asset-backed or non-asset-backed swaps

    Commitment = nominal value + valuation of the fixed-rate leg (if fixed/variable) or the variable-rate leg (if variable/fixed) at the market price.
  - Other swaps

    Commitment = nominal value + market value (if the Fund has adopted a synthetic valuation method).

7.2 Method used to recognise income from fixed-income securities

Coupons received method.

7.3 Method used to recognise expenses

Transactions are accounted for excluding fees and expenses.

8 REMUNERATION

Details of the updated remuneration policy are available on the Groupama Asset Management website: www.groupama-am.com

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