

# 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”.*

---

<b>1</b>	<b>General characteristics</b> .....	<b>1</b>
<b>2</b>	<b>Administrators</b> .....	<b>3</b>
<b>3</b>	<b>Management principles</b> .....	<b>4</b>
	3.1 General characteristics.....	4
	3.2 Special provisions .....	4
<b>4</b>	<b>Commercial information</b> .....	<b>20</b>
<b>5</b>	<b>Investment rules</b> .....	<b>20</b>
<b>6</b>	<b>Overall risk</b> .....	<b>20</b>
<b>7</b>	<b>Asset valuation and accounting rules</b> .....	<b>20</b>
	7.1 Valuation methods.....	20
	7.2 Method used to recognise income from fixed-income securities .....	22
	7.3 Method used to recognise expenses .....	22
<b>8</b>	<b>Remuneration</b> .....	<b>22</b>

---

## 1 GENERAL CHARACTERISTICS

**Name:**

**GROUPAMA ETAT MONDE**

**Legal form and Member State in which the Fund was incorporated:**

French UCITS fund.

**Formation date and planned term:**

12 May 2005.

Fund initially formed for a 99-year term.

## Summary of the management offer:

Units	ISIN code	Allocation of distributable income	Currency of expression	Eligible subscribers	Fractioning	Minimum initial subscription	Net asset value at launch
G	FR0010890954	Accumulation and/or distribution and/or retained	Euro	Reserved for Groupama Assurances Mutuelles' companies, subsidiaries and regional banks.	Thousandths	€300,000	€10,000
I	FR0010213421*	Accumulation	Euro	Reserved for institutional investors	Ten Thousandths	One ten-thousandth of a unit	€464.06
MC	FR0010589374	Accumulation	Euro	Reserved for institutional investors excluding UCIs or mandates managed by Groupama Asset Management or its subsidiaries	Thousandths	One thousandth of a unit	€100 NAV split by 100 on 10 March 2009
MD	FR0013060134	Distribution and/or retained	Euro	Reserved for institutional investors excluding UCIs or mandates managed by Groupama Asset Management or its subsidiaries	Thousandths	One thousandth of a unit	€100
N	FR0010693119	Accumulation	Euro	All subscribers	Thousandths	1 unit	€500
O	FR0013336161	Accumulation	Euro	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range	Thousandths	One thousandth of a unit	€1,000
R	FR0013330255	Accumulation	Euro	Reserved for intermediaries connected to Groupama Asset Management or its subsidiaries and providing portfolio management services and/or independent financial investment advisory services for individual investors	Thousandths	One thousandth of a unit	€100

\* Including all unitholders who subscribed to the Fund before units were created.

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

The latest annual reports and the composition of assets will be sent to shareholders within eight working days upon written request to: 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](http://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).

Any additional information, if necessary, may be obtained from the Groupama Asset Management Business Development Department: 01 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.

### Depository – Custodian:

**CACEIS Bank**, 89-91 rue Gabriel Péri - 92120 Montrouge, France, a credit institution authorised by the CECEI (that became the ACPR – Autorité de Contrôle Prudentiel et de Résolution) on 1 April 2005.

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](http://www.caceis.com).

Updated information is made available to investors upon request.

### 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, for bearer or administered registered units.

### 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.

### Auditor:

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

### Accounting representative:

CACEIS Fund Administration - 89-91 rue Gabriel Péri - 92120 Montrouge, France, a credit institution authorised by the CECEI (that became the ACPR – Autorité de Contrôle Prudentiel et de Résolution) on 1 April 2005.

### Marketing agents:

Groupama Assurances Mutuelles' distribution networks (8-10 rue d'Astorg, 75008 Paris, France) and external distributors approved by Groupama Asset Management.

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

### 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.
- Shareholder 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:  
I class: units may be subscribed in exact amounts or in ten-thousandths of a unit.  
G, MC, MD, N, O and R units: units may be subscribed in exact amounts or in thousandths of a unit.  
I class: Units may be redeemed in ten-thousandths of a unit.  
G, MC, MD, N, O and R units: Units may be redeemed in thousandths of a unit.

##### **Financial year-end:**

- The last Paris Stock Exchange trading day in December.
- The first financial year end was the last Paris Stock Exchange trading day in December 2005.

##### **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 shares 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.

#### 3.2 Special provisions

##### **ISIN codes:**

G class: FR0010890954

I class: FR0010213421

MC class: FR0010589374

MD class: FR0013060134

N class: FR0010693119

O class: FR0013336161

R class: FR0013330255

**Classification:****“Bonds and other international debt securities” UCITS**

**Investment in UCIs:** up to 10% of net assets

**Investment objective:**

The Fund's management objective is to attempt to outperform its benchmark, the euro-hedged Bloomberg Global Aggregate Treasury index, calculated with net coupons reinvested.

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

This UCITS 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 Global Aggregate Treasury index (euro hedged).

The Bloomberg Global Aggregate Treasury index (euro hedged), calculated with net coupons reinvested, is representative of the debt issues of the main OECD countries.

This index is hedged against exchange rate movements in relation to the euro.

Bloomberg code: LGTRTREH Index

This benchmark index is only a point of reference. No mechanism to maintain any level of correlation with it is in place as part of the managerial approach implemented. Nevertheless, the behavioural profile of the portfolio and the benchmark index may be comparable in certain market configurations.

**Investment Strategy:**Description of strategies used

- The Fund's investment strategy is based on several approaches:
  1. Country allocation and directional bias to rates: the management of country allocation and the portfolio's volatility range allows for it to be positioned on the yield curves of the various countries in the investment universe, from the central macroeconomic scenario and valuation/flow components. Depending on its anticipation of changes in rates, the manager takes either long or short positions on rates and on spreads between countries.
  2. Selection of securities: the portfolio is optimised in terms of the selection of issuers (State, agencies, supranational bodies, etc.) and securities.
  3. The portfolio is diversified through interest rate derivatives, inflation-linked bonds, currencies and emerging bonds.
  4. The ESG approach applied to the UCITS takes into account criteria relating to each of the environmental, social and governance factors without being a decisive factor in this decision-making.

Integration of ESG criteria:

The UCITS' ESG investment universe comprises governments and private issuers from all geographic areas.

Governments are rated from 1 to 100 according to a best-in-universe approach, i.e. the highest-rated 20% of governments have a score between 80 and 100. These ESG criteria are analysed on the basis of various indicators, including:

- Environment: Carbon intensity. Carbon intensity corresponds to the total national emissions, plus the emissions corresponding to the production of all the goods and services imported into the country, as a ratio of GDP;
- Social: Long-term unemployment rate (percentage of the working population aged 15 to 74 who have been unemployed for 12 months or more);
- Human rights: Freedom of expression and citizenship, perception of democracy (people's ability to choose their government), freedom of association and freedom of the media;

For private issuers, various indicators are used to analyse ESG criteria, including:

- Environment: biodiversity, waste management etc.;
- Social: employee training, supplier relations etc.;
- Governance: board independence, executive compensation policy etc.

The selection within the eligible ESG investment universe is specified upstream, according to the following criteria:

1. Exclusion of securities belonging to the "Major ESG Risks" list:  
Groupama AM keeps track of a list of stocks identified as comprising particularly high ESG risks (the "Major ESG Risks" list). These are companies whose ESG risks could jeopardise their economic and financial viability, or could have a significant impact on the company's value, thus resulting in a significant loss of stock market value or a significant downgrade by rating agencies.
2. Exclusion of sectors deemed to be incompatible with Groupama AM's commitment policy: companies involved in coal mining and coal-related energy production, and companies known to be involved in controversial weapons activities (cluster bombs and anti-personnel mines), are excluded from the Subfund's investment scope.
3. The UCITS must have a higher average ESG score than its investment universe.
4. The process of selecting securities in the portfolio must result in at least 90% of the portfolio, excluding cash, being screened and monitored for its ESG rating over a rolling 12-month period.

#### Methodological limitations:

The ESG approach developed by Groupama AM is centred around an analysis of the environmental, social and governance practices of the governments and securities in which it is invested. The main limitation of this analysis relates to the quality of the available information. ESG data are not yet standardised and Groupama AM's analysis is ultimately based on data that may be incomplete and non-uniform. To mitigate this limitation, Groupama AM focuses its analysis on the most important aspects.

For more detailed information on the rating methodology implemented in the UCITS and its limitations, investors are invited to read the Groupama Asset Management Transparency Code, which is available at [www.groupama-am.com](http://www.groupama-am.com).

#### 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 UCITS, 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.

- Sensitivity range for the Fund and geographical area of issuers:

Interest-rate sensitivity range within which the Fund is managed	Between 4 and 12	
Geographic regions of issuers of securities or underlying assets of securitisation products*	All geographic regions [0–110%]	[0% - 110%]
Currencies of expression of securities*	All currencies	[0% - 110%]
Exchange rate risk	[0%; 20%]	

\*excluding exposure via derivatives

- 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 Fund's assets are composed of fixed-rate bonds, negotiable debt securities (or equivalent products depending on the country) variable-rate and inflation-linked bonds, as well as mortgage bonds and reverse repurchase agreements in all geographical regions with a limit of 25% on emerging countries.

- Breakdown of private/public debt:

Up to 60% of the net assets will be invested in securities mainly selected from sovereign issuers, backed by governments, public institutions, agencies or supranational organisations.

The Fund may also invest in private-sector securities.

There is no limit regarding speculative securities (securities rated below BBB- according to the Standard & Poor's rating agency or a rating deemed equivalent by the management company).

- Duration:

The duration of the selected securities ensures that the Fund's overall sensitivity is maintained between 4 and 12.

- Holding of shares or units of other UCITS, AIFs or foreign investment funds:  
The Fund may invest up to 10% of its net assets in units or shares of French or European UCITS.

Money market UCIs will be used to optimise the Fund's cash management.

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

External UCITS will be subjected to close review 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.

Trackers (listed index entities) replicating changes in government bond indices may be used.

- Derivative instruments and securities with embedded derivatives

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

The Fund may also invest up to 100% of its net assets in securities with embedded derivatives. The strategy for the use of securities with embedded derivatives is the same as that described for derivatives.

These instruments allow:

- the Fund's overall exposure to interest rate risks to be increased or reduced.
- arbitrage strategies to be implemented.
- all or part of the portfolio's exchange rate risk to be hedged.

As such, they increase the management's flexibility. Therefore, derivative products are used to maximise performance.

The manager may trade in the derivative instruments and securities with embedded derivatives listed in the table below:



Risks in which the manager intends to trade		Types of markets targeted			Types of trades			
		Regulated	Organised	Over the counter	Hedging	Exposure	Arbitrage	Other
Equities								
Interest rates	X							
Foreign exchange	X							
Credit								
<b>Derivative instruments used</b>								
<b>Futures</b>								
- Equities								
- Interest rates		X	X		X	X	X	
- Currencies		X	X		X	X	X	
<b>Options</b>								
- Equities								
- Interest rates		X	X	X	X	X	X	
- Foreign exchange		X	X	X	X	X	X	
<b>Swaps</b>								
- Equities								
- Interest rates		X	X	X	X	X	X	
- Inflation		X	X	X	X	X	X	
- Foreign exchange		X	X	X	X	X	X	
- Total return swap								
<b>Forward currency contracts</b>								
- Forward currency contracts				X	X	X	X	
- NDF – Non-Deliverable Forward				X	X	X	X	
<b>Credit derivatives</b>								
- Single entity credit default swaps and basket default swap(s)								
- Credit-linked notes (CLN)								
- Indices								
- Index options								
- Structuring for basket credit derivatives (CDO tranches, iTraxx tranches, FTD, NTD, etc.)								
<b>Other</b>								
- Equity								
<b>Securities with embedded derivatives used</b>								
<b>Warrants</b>								
- Equities								
- Interest rates								
- Foreign exchange								
- Credit								
<b>Subscription warrants</b>								
- Equities								
- Interest rates								
<b>Other</b>								
- EMTNs (structured)		X	X	X	X	X		
- Convertible bonds								
- Contingent convertible bonds (CoCo bonds)								
- Callable or puttable bonds		X	X	X	X	X		

- 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 100% of the Fund's net assets may be in the form of deposits at a credit establishment based in a Member State of the European Union or a state that is part of the European Economic Area, with a term of less than 12 months, as a store of cash to be used as needed.
- Cash borrowings:  
On a temporary and exceptional basis, the manager may borrow cash up to the value of 10% of the net assets of the Fund from the custodian, CACEIS Bank.
- Temporary purchases and sales of securities:
  - Types of transactions:
    - Repurchase or reverse repurchase agreements in compliance with the French Monetary and Financial Code
    - Loans of securities in compliance with the French Monetary and Financial Code
  - Types of trades:
    - Securities lending: these transactions will only be performed with the aim of optimising existing lines.
    - Repurchase and reverse repurchase agreements: these transactions may be undertaken in order to manage cash.
  - Types of assets that may be subject to such transactions:
    - Negotiable debt securities
    - Bonds
  - Level of use anticipated and authorised:
    - Temporary purchases of securities:
      - Maximum use: 10% of net assets.
      - Expected use: approximately 10% of net assets.
    - Temporary sales of securities:
      - Maximum use: 10% 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 deemed equivalent by the management company, the registered office of which is located in an OECD member country.

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

As the UCITS uses derivatives and securities with embedded derivatives and may borrow cash, as well as use transactions involving temporary purchases and sales of securities, the portfolio's total level of exposure will not exceed 200% of net assets.

#### **Information relating to the Fund's financial guarantees:**

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

The UCITS may receive securities by way of collateral (such as corporate bonds and/or government bonds) or cash collateral in the context of temporary purchases and sales of securities and derivatives traded over the counter. The collateral received and its diversification will comply with the restrictions of the Fund/UCITS.

Only the cash collateral received will be reused, via reinvestment in accordance with the rules applicable to UCITS.

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

These assets received as collateral will be retained by the custodian of the Fund 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. Investors in bonds or other fixed-income securities may experience negative performance due to interest rate fluctuations. Generally, the prices of fixed-income securities held in the portfolio rise when interest rates fall and fall when interest rates rise.

##### Risk associated with the use of derivatives:

The use of derivative financial instruments for hedging or substituting securities does not create additional risk insofar as the interest rate risk associated with such derivatives is fully accounted for in the limitations of the overall sensitivity range permitted.

##### Risk associated with trading on emerging markets:

Investors' attention is drawn to the fact that the operating and monitoring conditions of emerging markets may differ from the standards prevailing on major international stock exchanges.

##### Counterparty risk:

Counterparty risk relates to the conclusion of over-the-counter financial futures contracts or the temporary purchase and sale of securities. It consists of assessing the risks for an entity in terms of the commitments linking it to a counterparty with whom the contract has been concluded. This therefore refers to the default risk of a counterparty, causing it to default on payment. In accordance with regulations, this risk may not exceed 10% of net assets by counterparty.

#### Credit risk:

In the event of a default or a downgrading of the credit quality of public or private issuers that was not anticipated by the markets, such as a downward re-rating by financial rating agencies to below “investment grade” quality, the value of the bonds in which the UCITS is invested will fall, causing the UCITS' net asset value to fall.

As the Fund may invest in high-yield speculative securities, which are securities with a low rating, the risk of a fall in the Fund's net asset value may be higher. Investment in such speculative securities may increase the Fund's overall exposure to credit risk.

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 speculative (high yield) securities:

This UCITS must be considered as being partly speculative and is intended more specifically for investors aware of the risks inherent in investment in securities with a low or non-existent rating. Consequently, the use of “high yield” securities may lead to a greater risk of a fall in the net asset value.

#### Exchange rate risk:

Exchange rate risk may exist, owing to the fact that the manager has a leeway of up to 20% of the Fund's net assets for exposing the Fund to a basket of currencies other than the euro.

#### Volatility of the net asset value:

The volatility of the Fund is high, as it is linked to the combination of several sources of risk: interest rate risk, country risk and exchange rate risk.

#### Liquidity restriction:

If markets fail or close down, force majeure may be invoked to justify liquidity restrictions.

#### Risks associated with financing operations on securities and the management of financial collateral:

The use of temporary purchases and sales of securities may increase or reduce the net asset value of the UCITS. 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.

#### Sustainability risks:

Sustainability risks, comprising those on the Major 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](http://www.groupama-am.com). 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 have a negative impact on the asset or a total loss in its value.

**Management policy for liquidity risk:**

Management of the UCI's liquidity risk is undertaken as part of an analysis and monitoring procedure that relies on internal tools and methodologies in place within Groupama Asset Management.

This procedure has two main components:

- Monitoring the portfolio's liquidity profile based on an asset liquidity assessment in view of current market conditions.
- Monitoring the Fund's ability, whether in normal or unfavourable market conditions, to deal with significant redemption scenarios.

**Financial guarantee or protection:**

None.

**Eligible subscribers and typical investor profile:**

- G units: reserved for Groupama Assurances Mutuelles' companies, subsidiaries and regional banks.
- I units: reserved for institutional investors.
- N units: open to all subscribers.
- MC and MD units: Reserved for institutional investors excluding UCIs or mandates managed by Groupama Asset Management or its subsidiaries.
- O units: Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range.
- R units: Reserved for intermediaries connected to Groupama Asset Management or its subsidiaries and providing portfolio management services and/or independent financial investment advisory services for individual investors.

GROUPAMA ETAT MONDE is aimed at investors seeking an actively managed portfolio of long-term bonds issued principally by sovereign or public-sector or similar entities in the OECD 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 corporate issuers carry a risk of default. The amount that might reasonably be invested in GROUPAMA ETAT MONDE 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.

## Distributable income calculation and appropriation methods:

This UCITS is composed of several unit classes:

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

## Characteristics of units:

### Initial net asset value of each unit:

- G units: €10 000
- I units: €464.06
- MC units: €100 (NAV split by 100 on 10 Mar 2009)
- N units: €500
- MD units: €100
- O units: €1,000
- R units: €100

Currency of units: euro.

### Fractioning:

- I units: Split into ten-thousandths of a unit.
- G, MC, MD, N, O and R units: Split into thousandths of a unit.

## Subscription and redemption procedures:

	Minimum initial subscription amount	Subscriptions	Redemptions
G units	€300,000	In amounts or in thousandths of a unit	In thousandths of a unit
I units	Ten-thousandths of a unit	In amounts or in ten-thousandths of a unit	In ten-thousandths of a unit
MC units	Thousandths of a unit	In amounts or in thousandths of a unit	In thousandths of a unit
MD units	Thousandths of a unit	In amounts or in thousandths of a unit	In thousandths of a unit
N units	One unit	In amounts or in thousandths of a unit	In thousandths of a unit
O units	Thousandths of a unit	In amounts or in thousandths of a unit	In thousandths of a unit
R units	Thousandths of a unit	In amounts or in thousandths of a unit	In thousandths of a unit

Orders are executed in accordance with the table below:

D	D	D	D+1 business day	D+3 business days	D+3 business days
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

(1) Unless you have agreed a specific deadline with your financial institution.

Subscription and redemption requests are cleared by CACEIS Bank and may be received every bank business day up to 11:00 am:

- by CACEIS Bank for those clients for whom it provides custody-account keeping services, for bearer or administered registered units.
- and by Groupama Asset Management for pure registered units.

They are executed on an unknown net asset value basis with settlement on D+3 Euronext Paris.

Investors are reminded that when sending instructions to marketing agents other than the organisations indicated above, they must take into account that the cut-off time for clearing imposed by CACEIS Bank applies to these marketing agents. Consequently, these marketing agents may stipulate an earlier cut-off time of their own, which may precede the cut-off time mentioned above, so that instructions can be sent to CACEIS Bank on time.

The Fund's net asset value is calculated on every trading day except for official French public holidays. The reference calendar is that of the Paris Stock Exchange.

The net asset value may be obtained from: the offices of Groupama Asset Management.

## Fees and charges:

### 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 units:

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	None

	Number of units or shares	
Redemption fees accruing to the Fund	Net asset value x Number of units or shares	None

**G, MC, MD, O and R units:**

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

• **Operating and management fees:**

These fees include all those charged directly to the Fund, except for transaction fees. Transaction fees include intermediary fees (e.g. 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 commissions. 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;
- A portion of the income from transactions involving the temporary acquisition and sale of securities.

Regarding ongoing charges invoiced to the Fund, please refer to the "Charges" Section of the Key Investor Information Document (KIID)

**I, MC and MD units:**

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 1% (including taxes)
Maximum indirect fees (management fees and charges)	Net assets	Maximum rate*
Transaction fee accruing to CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax** OTC product: from €10 to €150 (depending on complexity) incl. tax**



Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Outperformance commission	Net assets	None

\* Not significant, the UCITS held in the portfolio are below 20%.

\*\* In accordance with the current rate of VAT

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

#### **N units:**

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 1.10% (including taxes)
Maximum indirect fees (management fees and charges)	Net assets	Maximum rate*
Transaction fee accruing to CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax** OTC product: from €10 to €150 (depending on complexity) incl. tax**
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***
Outperformance commission	Net assets	None

of which 1% is the financial management fee

\* Not significant, the UCITS held in the portfolio are below 20%.

\*\* In accordance with the current rate of VAT

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

#### **G units:**

Fees charged to the UCITS	Base	Rate
Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 0.90% (including taxes)
Maximum indirect fees (management fees and charges)	Net assets	Maximum rate*
Transaction fee accruing to CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax** OTC product: from €10 to €150 (depending on complexity) incl. tax**
Transaction fee accruing to the management company	Deducted from each transaction	By type of instrument***

Outperformance commission	Net assets	None
---------------------------	------------	------

\* Not significant, the UCITS held in the portfolio are below 20%.

\*\* In accordance with the current rate of VAT

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

#### **O units:**

<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate</b>
Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 0.10% (taxes included)
Maximum indirect fees (management fees and charges)	Net assets	Maximum rate*
Transaction fee accruing to CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax** OTC product: from €10 to €150 (depending on complexity) 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 are below 20%

\*\* In accordance with the current VAT rate

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

#### **R units:**

<b>Fees charged to the UCITS</b>	<b>Base</b>	<b>Rate</b>
Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)	Net assets	Maximum rate: 0.55% (taxes included)
Maximum indirect fees (management fees and charges)	Net assets	Maximum rate*
Transaction fee accruing to CACEIS Bank	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax** OTC product: from €10 to €150 (depending on complexity) 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 are below 20%

\*\* In accordance with the current VAT rate

\*\*\* 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 related to recovery of the UCITS's receivables may be added to the fees detailed above.

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

Total 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 UCITS.

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

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 and redemption requests are cleared by CACEIS Bank at the following address:

CACEIS Bank  
1-3 place Valhubert - 75206 Paris Cedex 13 - 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](http://www.groupama-am.com)).

#### **5 INVESTMENT RULES**

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

#### **6 OVERALL RISK**

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

#### **7 ASSET VALUATION AND ACCOUNTING RULES**

The Fund complies with the accounting rules prescribed by current regulations, in particular those applying to UCITS.

The accounting currency is the euro.

##### 7.1 Valuation methods

#### **Transferable securities traded on a French or foreign regulated market, including ETFs:**

- Securities traded in the eurozone:  
=> Last price on 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 whose prices have been adjusted are valued at their probable market value under the sole responsibility of the UCI's manager or management company.

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

### **Units and shares of UCIs**

Units and shares of UCIs 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 concluded on an over-the-counter market, authorised by the regulations applicable to UCIs, are valued at their market value.

### **Futures and options contracts**

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

Generally, financial instruments for which the price has not been recorded on the valuation day or for which the price has been adjusted are valued at their likely trading price as determined by the SICAV's board of directors or management board or, for mutual funds, by the management company. Such valuations and their supporting documentation are communicated to the statutory auditor during audits.

**Valuation methods for off-balance-sheet commitments:**

- Futures contracts are valued at nominal value x quantity x settlement price x (currency)
- Options contracts are valued at their underlying equivalent.
- Swaps
  - ▶ Asset-backed or non-asset-backed swap  
Commitment = nominal value + valuation of the fixed-rate leg (if fixed/variable) or the variable-rate leg (if variable/fixed) at market value.
  - ▶ 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

Accrued interest 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 at [www.groupama-am.com](http://www.groupama-am.com).

\*\*\*\*\*