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 AXIOM LEGACY

Legal form and Member State in which the Fund was incorporated

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

Date formed and expected term

31 May 2017.
This Fund was initially formed for a 99-year term.

Summary of the management offer

Unit class	ISIN code	Eligible subscribers	Allocation of distributable income	Base currency	Minimum initial subscription	Initial net asset value
G units	FR0013259140	Reserved for Groupama Assurances Mutuelles companies, subsidiaries and regional mutuals	Accumulation and/or distribution and/or carried forward	Euro	€300,000	€1,000
I units	FR0013259132	Reserved for institutional investors for whom the Groupama Group and its external distributors are the marketing agents	Accumulation	Euro	€100,000	€1,000
ID units	FR001400EFB8	Reserved for institutional investors, for whom the Groupama Group and its external distributors are marketing agents	Distribution and/or carried forward	Euro	€100,000	€1,000
J units	FR0013259165	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent	Accumulation	Euro	€100,000	€1,000
JD units	FR0013302833	Open to all subscribers	Distribution and/or carried forward	Euro	€100,000	€1,000
JS units	FR0013303492	Open to all subscribers, particularly those for whom Axiom Alternative Investments is the marketing agent(1)	Accumulation	Swiss franc hedged	CHF 100,000	CHF 1,000
JU units	FR0013303484	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent	Accumulation	US dollars hedged	$100,000	$1,000
L units	FR0013259173	Reserved for subscribers for whom Axiom Alternative Investments is the marketing agent	Accumulation	Euro	1 unit	€1,000
N units	FR0013259181	Open to all subscribers	Accumulation	Euro	1 unit	€1,000
O units	FR0013259199	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range and the UCIs or mandates managed by Axiom Alternative Investments	Distribution and/or carried forward	Euro	1 unit	€1,000
P units	FR0013251881	Reserved for institutional investors	Accumulation	Euro	€10,000,000	€1,000
R units	FR0013302858	Reserved for investors subscribing via distributors or intermediaries connected to Groupama Asset Management providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients	Accumulation	Euro	1 unit	€1,000
T units	FR0013302874	Reserved for investors subscribing via distributors or intermediaries connected to Axiom Alternative Investments providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients	Accumulation	Euro	1 unit	€1,000

(1)Including all bearers who subscribed to the UCITS before 14/06/2019

U units (2)	FR0013277738	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent	Accumulation	British pound hedged	GBP 100,000	GBP 1,000

(2) U units are hedged against the exchange rate risk of the Fund's reference currency.

Address from which the latest annual report and interim financial statement may be obtained

Investors will be sent the latest annual documents and the breakdown of the assets within eight business days of sending a 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

And

Axiom Alternative Investments

39, Avenue Pierre 1er de Serbie – 75008 Paris – France

Tel.: +33 (0)1.44.69.43.90

Any additional information that may be required can be obtained from Axiom Alternative Investments.

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* (Stock Exchange Committee), now the *Autorité des marchés financiers* (French financial markets authority – AMF) under number GP 93-02 on 5 January 1993.

Depositary – Custodian

Caceis Bank – 89-91 rue Gabriel Péri - 92120 Montrouge, France, a credit institution authorised by the CECEI (now the ACPR, French Prudential Supervisory and Resolution Authority) 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 also responsible for the UCI's fund accounting, covering the clearance of subscription and redemption orders for the UCI's units and management of the unit registry.

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 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 appointed to receive subscriptions and redemptions, and responsible for adhering to the centralised processing cut-off time indicated in the prospectus:

- **Caceis Bank**

Statutory auditor

PWC Sellam - 2 rue Vatimesnil - 92300- Levallois-Perret.

Representatives

The financial representative for all managed assets

Axiom Alternative Investments – 39, Avenue Pierre 1er de Serbie, 75008 Paris, France, a limited liability company approved as a portfolio management company by the AMF under no. GP06000039 on 1 December 2006.

Accounting representative

CACEIS Fund Administration– 89-91 rue Gabriel Péri - 92120 Montrouge, France, a credit institution authorised by the CECEI (now the ACPR – *Autorité de Contrôle Prudentiel et de Résolution*, the French Prudential Supervisory and Resolution Authority) on 1 April 2005.

Marketing agents

- Groupama Asset Management
- GROUPAMA ASSURANCES MUTUELLES's distribution networks, 8-10 rue d'Astorg, 75008 Paris, France.
- Axiom Alternative Investments
- External distributors authorised by Groupama Asset Management and by Axiom Alternative Investments.

Conflict of interests 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 interests management policy available on request from your usual advisor or on the Management Company's website www.groupama-am.com.

3 MANAGEMENT AND OPERATING 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 Fund's assets in proportion to the number of units held.

Entry in a register or clarification of fund accounting methods:

Fund accounting for liabilities is provided by the custodian.

The Fund is listed on Euroclear France.

Voting rights:

No voting rights are attached to the units, as decisions are made by Axiom Alternative Investments.

Type of units:

Units are registered and/or bearer units.

Fractioning:

Units may be subscribed or redeemed in amounts or in thousandths of a unit.

Financial year end

The last Paris Stock Exchange trading day in February.

The first financial year end was the last Paris stock exchange trading day in December 2017.

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 gains or income from holding UCITS fund units depends on tax provisions specific to the unitholder's own particular circumstances and/or on the tax provisions in the country where the unitholder 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:

G units	FR0013259140
I units	FR0013259132
ID units	FR001400EFB8
J units	FR0013259165
JD units	FR0013302833
JS units	FR0013303492
JU units	FR0013303484

L units	FR0013259173
N units	FR0013259181
O units	FR0013259199
P units	FR0013251881
R units	FR0013302858
T units	FR0013302874
U units	FR0013277738

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

SFDR classification:
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 (Sustainable Finance Disclosures Regulation).

Investment objective

The Fund's objective is to try to obtain, through active management over a recommended minimum investment horizon of 4 years, an annualised return equal to or greater than the 3-month Euribor index +3% after management costs have been deducted.

In order to achieve this objective, UCITS will invest mainly in financial institutions' bonds and preferred shares through totally discretionary management.

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.

The ESG approach applied to the Fund takes into account criteria relating to each of the environmental, social and governance factors without being a decisive factor in this decision-making.

Benchmark index

No benchmark index is intended to be used to assess the Fund's performance, since the indexes available are not representative of the latter's management method, but the Fund's performance can still be compared with that of the 3-month Euribor +3%.

The Euribor index is the European money market rate. It is equal to the arithmetical average of rates available on the European banking market for a given maturity (between 1 week and 12 months). It is published by the European Central Bank from ratings provided each day by 64 European banks.

The Euribor index is in accordance with Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016.

In accordance with Article 52 of Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016, the European Money Markets Institute (EMMI), administrator of the EURIBOR index, is authorised on the register of administrators and indices held by ESMA.

The administrator shall make information about its benchmarks available to the public on its website https://www.emmi-benchmarks.eu/.

Groupama Asset Management has an internal action plan which will be implemented in the event of substantial modification or termination of the index.

Investment strategy

<u>Description of the strategies used</u>:

The Fund's investment policy consists primarily of selecting bonds, debt securities or preferred shares issued by financial institutions.

The main objective is to try to take advantage of the declassification of Tier 1 or Tier 2 securities from the regulatory capital of banks or insurance companies. This declassification often occurs at the end of a transition period, which can sometimes apply as early as the first security redemption option.

This declassification will therefore encourage issuers to redeem these securities or to make offers to exchange them at a premium compared to the market price.

The Axiom Alternative Investments investment process seeks to capitalise on these redemption and exchange operations being carried out on the international bond market. To optimise the portfolio's return, the investment process is organised into several phases:

- 1st phase: Fundamental analysis
    - The management team establishes criteria and extreme situations likely to affect the credit risk of each issuer based on information provided by the companies (reports, press releases and meetings), independent analyses and the analyses by research teams of major investment banks.
    - Only issues by companies deemed to have a long history, with a strong presence on the markets and with known and measurable competitive advantages are taken into account.
    - Detailed forecasting and stress scenarios are drawn up for the credit rates and spreads by rating category for major bond maturities.
    - Issues are selected by managers based on an in-depth analysis of the prospectuses.
    - The acquisition or transfer of bonds or debt securities is also based on an internal analysis of the issuer's credit risk.

- Second phase: Construction of the portfolio:
    - The portfolio is then constructed based on the risk allocation choices and the choices of issues made above.
    - The construction of the portfolio creates diversification, made possible by allocation by type of issuer.
    - Managers will be able to hedge the foreign exchange and interest rate risks. Indeed, some assets may be denominated in currencies other than the reference currency, and the (FCP) mutual fund will have a hedge against this systematic risk. However, there may be an ancillary risk.

- Third phase: Monitoring the portfolio
    - Regular monitoring of the performance of the underlying assets, through publications of statistics associated with issues.
    - Systematic monitoring of each sector's trends (issuer concentration, changes in legislation).
    - The circumstances likely to affect coupon payments or repayment of the principal are specifically monitored.

Both public and private sector issuers of bonds may be selected. Within these bonds, the Fund will prefer discounted orphan bond securities, fixed to fixed securities and long call securities, i.e., securities where the date of first call was made after the end of the transition period.

The acquisition or transfer of bonds or debt securities is based on an internal analysis of the issuer's credit risk by Axiom Alternative Investments. A line is not transferred or acquired based on the sole criterion of the rating provided by rating agencies.

The Fund may invest in bonds where the guaranteeing issuer or entity has an investment grade long-term rating as a minimum, or one deemed to be equivalent by Axiom Alternative Investments at the time of acquisition, and up to 20% on issuers that are not rated as investment grade or that are unrated.

Negotiable debt securities and bonds that are within the investment grade category correspond to securities with a rating higher than BBB- by Standard & Poor's, or Baa3 by Moody's, or BBB- by Fitch Ratings (the lowest of these ratings will apply) or deemed equivalent by Axiom Alternative Investments.

The UCITS fund may invest up to a maximum amount of 50% of its net assets in Additional Tier1 bonds or 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.

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 earning ratio, etc.) are activated.

Interest rate sensitivity range within which the Fund is managed	From 0 to 8
Geographical area of the issuers of securities to which the Fund is exposed	OECD countries (all areas): 0 - 110% Non-OECD countries (emerging countries): 0 - 10%
Currency of the securities in which the UCITS is invested	Euro: from 0 to 110% of net assets Currencies other than the Euro: from 0 to 110% of net assets
Level of exchange rate risk borne by the Fund	Restricted to up to 10% of net assets

In accordance with Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector (the "Disclosure Regulation"), the Fund is required to disclose the manner in which sustainability risks (as defined in the risk profile section) are integrated into investment decisions as well as the results of the assessment of the likely impact of sustainability risks on the Fund's performance.

The Fund does not have a sustainability objective, but remains exposed to sustainability risks. These sustainability risks are integrated into investment decision making and risk monitoring whenever they represent significant potential or actual risk and/or opportunities in order to maximise long-term risk-adjusted returns.

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.

The Fund has a high exposure to the financial sector, which is increasingly regulated due to the heightened awareness regarding data protection and cyber security issues. Companies that do not have appropriate mechanisms for handling and storing personal data face higher liability risks and risks of breaches and fines. As a result, the companies' cash flows may be adversely affected due to compensation payments and the suspension of operations. Such events could impact the securities in a number of ways, potentially affecting the performance of the Fund.

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

- <u>Integration of ESG criteria:</u>
  Although the Fund has no minimum objective regarding specific sustainable investments as defined by the SFDR, it applies the following binding restrictions, which are consistent with its own investment objective, and which also integrate a number of environmental and social characteristics. The Fund falls within the scope of Article 8 of the SFDR.

  The tools used for the integration of ESG factors are presented in more detail in the ESG annex to the prospectus.

- Management style:
  The Fund shall adopt an active management style that aims to achieve its management objective and optimise its performance.

<u>Assets, excluding embedded derivatives:</u>

- Interest rate market:
  The proportion of investments in interest rate products will be between 0% and 110% of net assets.
  - Bonds and other debt securities:
    The Fund will be invested in bonds issued by sovereign states, industrial, commercial and financial companies

    All financial instruments can be at a fixed, variable and/or revisable rate.

    These securities, issued by international issuers, may be conventional, unsecured or subordinate.

    The Fund may invest in securities where the guaranteeing issuer or entity is categorised as investment grade or a category deemed to be equivalent by Axiom Alternative Investments and up to 20% of its net assets in high-yield issuers (so-called “speculative”) or unrated issuers.

  - Money market instruments:
    During periods when the investment strategy may lead the management team to reduce the Fund’s exposure to bonds and/or other debt instruments in order to achieve the management objective, up to 100% of the Fund may be exposed to short-term negotiable securities and euro commercial papers.

    These financial instruments may also be used on an ancillary basis, for up to 10% of net assets, for investing cash and cash equivalents.

- Equity market:
  The Fund’s share exposure will not exceed 50% of its net assets.

  The UCITS fund may invest up to 50% of its net assets in preferred shares or preference shares and may invest up to 10% of its net assets in conventional shares.

  “Preferred shares” are shares that give on a priority basis a defined entitlement to a fixed dividend. This dividend takes priority over that of an ordinary share. The fact that a company does not pay dividends to its ordinary shareholders does not automatically mean that dividends will not be paid to those holding preferred shares. This dividend generally corresponds to a fixed percentage of the nominal value or a priority refund of dividends, or both. Such shares therefore benefit from the characteristics and benefits of debt securities, while being classified for accounting purposes as shareholders' equity. On the other hand, these shares have the same risks as debt securities.

- Holding 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,
  - of AIFs under French law, European Law, or the law of third-party countries who monitors and protects bearers in an equivalent manner.

  The UCIs used may be UCITS or AIFs of all classifications.

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

  External UCIs will be subjected to a close review of their management procedures, performance, risk and any other qualitative or quantitative criteria that allow the short, medium or long-term quality of management to be assessed.

- For each of the above-mentioned classes:
  - Holding ranges:
    - Debt securities and money market instruments: up to 110% of the net assets.
    - Government bonds, fixed or variable-rate bonds: up to 110% of the net assets.
    - Shares: up to 50% of net assets.
    - Shares or units in other UCITS or AIFs: up to 10% of net assets.

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 UCITS fund's net assets and therefore has an impact both on the performance and investment risk of the portfolio. The strategy for the use of securities with embedded derivatives is the same as that described for derivatives.

These instruments will allow:

- the Fund's overall exposure to interest rate risk to be increased or reduced,

- the portfolio to be hedged against exchange rate risk.

In this respect, they increase management flexibility. Derivatives are therefore used to maximise performance.

The manager may invest in forward financial instruments, options, swaps and CFD (Contracts for Difference), traded on regulated or over-the-counter markets in the eurozone and/or internationally. In this context, the manager may take positions with a view to hedging, adjudicating, and/or exposing the portfolio to sectors of activity, geographical areas, interest rates, shares (all types of capitalisation), foreign exchange, and indexes in order to achieve the management objective.

- Types of derivative instruments used

  The manager may trade in the derivative instruments described 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
Equity	X							
Interest rate	X							
Foreign exchange	X							
Credit	X							
Derivatives used								
Futures								
- Equities								
- Interest rates		X	X		X	X		
- Foreign currencies		X	X		X			
Options								
- Equities								
- Interest rates		X	X	X	X	X		
- Foreign exchange		X	X	X	X			
Swaps								
- Equities								
- Interest rates				X	X	X		
- Inflation								
- Foreign exchange				X	X			
- Total return swaps								
Forward currency contracts								
- Forward currency contracts				X	X	X		
Credit derivatives								
- Single-entity credit default swaps and basket default swap(s)				X	X	X		
- Indices				X	X	X		
- Index options								
- Structuring for basket credit derivatives (CDO tranches, iTraxx tranches, FTD, NTD, etc.)								
Other								
- Equity								
Securities with embedded derivatives used								
Warrants								
- Equities								
- Interest rates								
- Foreign exchange								
- Credit								
Other								
EMTN (structured)				X	X	X		
Convertible bonds								
Exchangeable bonds				X	X	X		
Convertible bonds				X	X	X		
Callable interest rate products				X	X	X		
Puttable interest rate products				X	X	X		
Credit-linked notes (CLN)				X	X	X		
Subscription warrants								
- Equities				X	X	X		
- Interest rates				X	X	X		

- Counterparty selection criteria
  Derivative instruments may be concluded with counterparties selected by Axiom Alternative Investments in line with its "Best Execution/Best Selection" policy and the procedure for approving new counterparties. The latter are major French and international counterparties, such as credit institutions or banks and are subject to exchanges of collateral. It is specified that these counterparties do not have any discretionary decision-making power over the composition or portfolio management of the Fund and/or over the underlying derivative financial instruments.

Deposits:

Up to a maximum of 20% of the Fund's net assets may be in the form of deposits at a credit institution 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 to 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 the value of 10% of the Fund's net assets.

Temporary purchases and sales of securities:

- Type 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:
  Their main aim will be to enable:
  - Treasury management;
  - Optimisation of the Fund's income;
  - The potential contribution to the leverage effect of the UCITS fund;

  These transactions must be limited to achieving the management objective.

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

- 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.

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

Information on the use of temporary sales and purchases of securities

Temporary sales or purchases of securities may only be used systematically with a view to achieving the Fund's management objective.

Temporary purchases (repurchase agreements) may only be used to ensure that the UCITS fund's cash and equivalents are invested at the best interest rates, using the securities as collateral.

Temporary sales (repurchases (1) and securities lending (2)) may only be used to (1) obtain cash equivalents at lower cost, pledging the securities as collateral or (2) enhance the UCITS fund's returns via the remuneration from securities lending.

However, with reference to the securities lending operations (2) without any financial guarantee and in compliance with the counterparty ratio of 10%, the remuneration from such transactions must accrue exclusively to the Fund and must be derived mainly from negotiable debt securities that are eligible for ECB bank refinancing and for which the securities lending market is virtually non-existent. Furthermore, such transactions must have maximum maturities of three months and the UCITS fund must be able to call them in at any time.

As the Fund 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 shall not exceed 200% of the net assets.

Information relating to the Fund's collateral

The UCITS may receive securities or cash as collateral in the context of temporary purchases and sales of securities and derivatives transactions traded over the counter.

Cash collateral is reinvested in accordance with the applicable rules.

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

The discounts applied to collateral received take into account the credit quality, the price volatility of the securities and the result of stress tests carried out in accordance with the regulatory provisions.

The level of collateral and the discount policy are determined in accordance with the regulations in force.

Risk profile

<u>Capital loss risk</u>:

Investors will be exposed to the risk of not recovering the full amount of the capital they invest, since the Fund does not offer a capital guarantee.

<u>Interest rate risk</u>:

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 Fund's net asset value to fall.

<u>Credit risk</u>:

In the event of default or of a downgrading of the credit quality of issuers not anticipated by the markets, for example a downward re-rating by the 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.

As the UCITS fund may invest in high-yield speculative securities, which are securities with a low rating, the risk of a fall in the UCITS fund's net asset value may be higher. Investment in such speculative securities may increase the UCITS 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 (high-yield) speculative securities:

This UCITS is to be considered as partially speculative and is aimed particularly at investors aware of the inherent risks of investing in securities with a low rating or no rating at all. As such, the use of high-yield securities means that the net asset value may drop more significantly.

Risks specific to convertible bonds:

Due to the hybrid nature of convertible bonds, the portfolio may be exposed to interest rate risk, credit risk, equity risk, volatility risk or exchange rate risk.

The value of convertible bonds is dependent on several factors: the level of interest rates, credit spreads, changes in the prices of the underlying equities and changes in the prices of the derivatives embedded in the convertible bonds. These various factors may entail a fall in the Fund's net asset value.

Risks associated with the commitment to forward financial instruments:

Equally, the use of derivatives may increase or decrease the volatility of the Fund by increasing or decreasing its exposure, respectively. In the event of adverse market developments, the net asset value may fall.

Risks associated with investing in Additional Tier 1 or 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 payments: 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 trigger level 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.

Up to 20% of the net assets may be invested in convertible contingency bonds ("CoCos"). CoCos are subordinate debt instruments that are complex, regulated and heterogeneous in their structuring.

- Risk associated with perpetual coupon bonds

Use of perpetual coupon bonds exposes the Fund to the following risks:

- cancellation of the coupon: Payments of coupons in this type of instruments are entirely discretionary and may be cancelled by the issuing authority at any time, for whatever reason and free of the usual time constraints.
- capital structure: unlike the conventional hierarchy of capital, investors in these instruments may suffer a capital loss. Indeed, the subordinated creditor will be refunded after ordinary creditors, but before shareholders
- call for extension: These instruments are issued as perpetual, callable instruments at predetermined levels

The occurrence of any of these risks may reduce the Fund's net asset value.

Counterparty risk:

Counterparty risk exists and is associated with 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 its commitments with respect to the counterparty with which the agreement has been concluded. This refers, therefore, to the default risk of a counterparty causing it to default on payment. In accordance with the regulations, this risk may not exceed 10% of the Fund's net assets per counterparty.

Liquidity risk:

Liquidity risk may materialise where specific and exceptional market conditions make finding market counterparties or reasonable prices difficult. If markets fail or shut, force majeure may be invoked to justify liquidity restrictions.

In the event that a counterparty defaults on a securities financing transaction, this risk will apply to collateral by way of the sale of securities received.

Risks associated with securities financing transactions and the management of collateral:

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

The risks associated with these transactions and with the management of 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 through 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.

Risk associated with the portfolio's sectoral focus:

This risk is associated with the concentration of investments in financial instruments sensitive to the financial corporations sector. This risk may result in a decline in the Fund's net asset value and a capital loss for the holder.

Discretionary management risk:

Discretionary management style relies on anticipating trends in the various markets (equities, bonds, etc.). There is a risk that the UCITS may not be invested in the best-performing markets at all times.

Risk associated with market shares:

The Fund may be invested in preferred shares. These preferred shares do not include any option for exchanging shares. Banks have created these preferred shares so that regulators will accept them in their own funds as an ordinary share. A UCI holder is a shareholder and not a creditor. However, the value of the preferred share will not be linked to the valuation of the share and the holder of a preferred share will not attend the shareholders' meetings, etc. Furthermore, these preferred shares have bond characteristics (fixed coupon but subject to certain conditions, a nominal value, rating, duration, and redemption at nominal value). However, in the event of the bank's bankruptcy, the preferred shares will be used to meet the bank's liabilities but in the same way as conventional subordinate bonds.

Axiom Alternative Investments concludes from this that these preferred shares, by their very nature, present a low equity risk. Equity sensitivity is non-zero only when the risk of bankruptcy is approaching.

Exchange rate risk:

The Fund may be exposed to issuers, the securities of which are denominated in currencies other the Fund's reference currency (the euro).

The exchange rate risk remains an ancillary one (limited to 10% of net assets) to the extent that the manager goes ahead with hedging by using forward financial instruments.

- For the U unit denominated in GBP, the JS unit denominated in CHF and the JU unit denominated in USD:

  These units are denominated in a currency other than the euro; the exchange rate risk related to fluctuations in the euro against the valuation currency is residual, because of systematic hedging. This hedging may lead to a performance gap between the units denominated in different currencies.

  U, JS and JU units will be systematically hedged against exchange rate risk.

All units have the same investment portfolio, and U, JS and JU units are also hedged against the exchange rate risk between their valuation currency and the euro.

Sustainability risks

A sustainability risk is defined as an environmental, social or governance (ESG) event or condition that, if it occurs, could cause an actual or potential material negative impact on the value of the investments made by the Fund. This risk is mainly related to climate change impacts resulting from global warming (physical risks) or society's response to global warming (transition risks), which may result in unforeseen losses that could affect the investments and financial situation of the Fund. Social events (e.g. inequality, inclusion, labour relations, human capital investment, accident prevention, customer behaviour change, etc.) or governance failures (e.g. significant and recurrent breach of international agreements, corruption issues, product quality and safety, sales practices, etc.) can also result in sustainability risks.

Management policy for liquidity risk

The management of the portfolio's overall liquidity and the liquidity of each underlying security is incorporated into the Axiom Alternative Investment management process.

The purpose is to maintain a portfolio, the majority of which can be liquidated in a few days under normal market conditions.

Liquidity is of one of the main criteria when analysing a security. Axiom Alternative Investments values securities based on the size of the issuance and the number of operators providing prices. Axiom Alternative Investments does not invest in a security that does not appear to meet its liquidity criteria.

In order to be able to deal with the challenging market conditions and large redemptions, Axiom Alternative Investments monitors the Fund's liquidity profile, which includes a stress test that takes into account those challenging market conditions.

Guarantee or protection

None.

Eligible subscribers and typical investor profile

G units	Reserved for Groupama Assurances Mutuelles companies, subsidiaries and regional mutuals
I units	Reserved for institutional investors for whom the Groupama Group and its external distributors are the marketing agents
ID units	Reserved for institutional investors, for whom the Groupama Group and its external distributors are marketing agents
J units	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent
JD units	Open to all subscribers
JS units	Open to all subscribers, particularly those for whom Axiom Alternative Investments is the marketing agent
JU units	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent
L units	Reserved for subscribers for whom Axiom Alternative Investments is the marketing agent
N units	Open to all subscribers
O units	Reserved for UCIs and mandates managed by Groupama Asset Management or its subsidiaries that are part of the Opale range and the UCIs or mandates managed by Axiom Alternative Investments
P units	Reserved for institutional investors
R units	Reserved for investors subscribing via distributors or intermediaries connected to Groupama Asset Management providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients
T units	Reserved for investors subscribing via distributors or intermediaries connected to Axiom Alternative Investments providing advisory services as defined by the MiFID II European regulations, or individual portfolio management services under mandate when they are exclusively remunerated by their clients
U units	Reserved for institutional investors for whom Axiom Alternative Investments is the marketing agent

The GROUPAMA AXIOM LEGACY mutual fund is intended for investors wanting to invest in the financial sector through exposure to the international bond market by investing particularly in Tier 1 and Tier 2 securities declassified from the regulatory capital of banks or insurance companies, and who are able to take on the risks associated with this investment.

The recommended minimum investment term in the Fund is more than four years.

The amount that may reasonably be invested in the UCITS fund depends on the investor’s personal situation. In determining this, investors should take account of their personal assets and financial plans, and their willingness to take risks or alternatively to favour a more cautious investment. It is also highly recommended that investors diversify their investments sufficiently so as not to be exposed solely to the risks of this Fund.

Procedures for determining and allocating distributable sums

G units	Accumulation and/or distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
I units	Accumulation
ID units	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
J units	Accumulation
JD units	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
JS units	Accumulation
JU units	Accumulation
L units	Accumulation
N units	Accumulation
O units	Distribution. Interim dividend payments are authorised. Option to carry forward earnings in full or in part.
P units	Accumulation
R units	Accumulation
T units	Accumulation
U units	Accumulation

Characteristics of units

	Initial net asset value	Base currency	Fractioning
G units	€1,000	Euro	Thousandths of a unit
I units	€1,000	Euro	Thousandths of a unit
ID units	€1,000	Euro	Thousandths of a unit
J units	€1,000	Euro	Thousandths of a unit
JD units	€1,000	Euro	Thousandths of a unit
JS units	CHF 1,000	Swiss francs	Thousandths of a unit
JU units	$1,000	US dollars	Thousandths of a unit
L units	€1,000	Euro	Thousandths of a unit
N units	€1,000	Euro	Thousandths of a unit
O units	€1,000	Euro	Thousandths of a unit
P units	€1,000	Euro	Thousandths of a unit
R units	€1,000	Euro	Thousandths of a unit
T units	€1,000	Euro	Thousandths of a unit
U units	GBP 1,000	British pound	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 amounts or in thousandths of a unit
I units	€100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
ID units	€100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
J units	€100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
JD units	€100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
JS units	CHF 100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
JU units	$100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
L units	1 unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
N units	1 unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
O units	1 unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
P units	€10,000,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
R units	1 unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
T units	1 unit	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit
U units	GBP 100,000	In amounts or in thousandths of a unit	In amounts or in thousandths of a unit

*The total redemption of units will only be possible as a quantity and not an amount.

Orders are executed in accordance with the table below:

D	D	D: NAV calculation date	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.

Subscriptions and redemptions are cleared by CACEIS Bank and received every banking day until 11 am:

- at CACEIS Bank for those clients for whom it provides custody account-keeping services, for bearer or administered registered units.
- and at 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 institutions indicated above, they must take account of the fact that the cut-off time for clearing orders imposed by CACEIS BANK applies to these marketing agents. Consequently, these marketing agents may stipulate their own cut-off time, 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 every trading day, except on official French public holidays. The reference calendar is that of the Paris Stock Exchange.

The net asset value may be obtained from: The website www.axiom-ai.com or during opening hours at the premises of Axiom Alternative Investments on +33 (0)1 44 69 43 90 or from the website www.groupama-ama.com or at the premises of Groupama Asset Management.

Swing pricing mechanism:

Groupama Asset Management has decided to implement a swing pricing mechanism pursuant to the procedures recommended by the AFG Charter to protect the UCITS and its long-term investors from the effects of strong inflows or outflows of capital.

If the net amount of subscription or redemption in the Fund exceeds a threshold previously set by Groupama Asset Management, the net asset value of the Fund will be increased or reduced by a percentage intended to offset the costs incurred by the investment or disinvestment of this amount and to ensure that these costs are not charged to the other investors in the Fund.

The triggering threshold and the magnitude of the swing in the net asset value are specific to the Fund and are reviewed by a quarterly Swing Price committee.

This committee may change the parameters of the swing pricing mechanism at any time, particularly in the event of a crisis on the financial markets.

Provision of redemption caps or “gates”:

Groupama Asset Management may implement the so-called “gates” to allow redemption requests from UCITS unitholders to be spread over several net asset values if they exceed a certain level, determined objectively.

- Description of the method used:

  UCITS unitholders are reminded that the threshold for triggering gates corresponds to the relationship between:

  - the difference recorded, on a single clearing date, between the number of UCITS units the redemption of which is requested, or the total amount of these redemptions, and the number of UCITS units the subscription of which is requested, or the total amount of these subscriptions; and
  - the net assets or the total number of UCITS units.

  If the UCITS has several unit classes, the threshold for triggering the procedure will be the same for all UCITS unit classes.

  The threshold above which the gates may be triggered is justified by the frequency at which the net asset value of the UCITS is calculated, its management orientation and the liquidity of the assets it holds. This is set at 5% of the net assets of the UCITS and applies to redemptions cleared for all the UCITS assets. If the UCITS has several unit classes, redemptions are taken into account for all the unit classes of the UCITS.

  When the redemption requests exceed the threshold for triggering gates, Groupama Asset Management may decide to honour redemption requests beyond the expected cap, and to execute in part or in full those orders which might be blocked.

  The maximum duration of the application of the gates is fixed at the equivalent of 20 net asset values for 3 months.

- Methods of providing information to unitholders:

  In the event the gates system is activated, all UCITS unitholders will be informed by any means.

  UCITS unitholders whose orders have not been executed will be informed as quickly as possible in a specific way.

- Processing of non-executed orders:

  Redemption orders will be executed in the same proportions for UCITS unitholders who have requested redemption since the last clearing date. For non-executed orders, these will be automatically carried over to the next net asset value and will not have priority over the new redemption orders placed for execution on the basis of the next net asset value. In any case, redemption orders which are not executed and are automatically carried over may not be revoked by UCITS unitholders.

- Example illustrating the system that has been partially set up:

  For example, if the total redemption order of the Fund's units is 10% while the triggering threshold is set at 5% of the net assets, Groupama Asset Management may decide to honour redemption orders up to 7.5% of the net assets (and therefore execute 75% of redemption orders as opposed to 50% if the 5% cap was strictly applied).

Charges and fees

Subscription and redemption fees:

Subscription fees increase the subscription price paid by the investor, while redemption fees reduce the redemption price. Fees paid to the Fund are used to compensate the latter for the expenses incurred in the investment or divestment of the Fund's assets. The remaining fees accrue to the management company, marketing agent, etc.

Unit class	Base	Subscription fee not accruing to the Fund	Subscription fee accruing to the Fund	Redemption fee not accruing to the Fund	Redemption fee accruing to the Fund
G units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
I units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
ID units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
J units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
JD units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
JS units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
JU units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
L units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
N units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
O units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
P units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
R units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
T units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None
U units	Net asset value x Number of units or shares	Maximum rate: 5% incl. tax	None	None	None

Operating and management fees:

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

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

- Outperformance fees. These remunerate Axiom Alternative Investments if the Fund exceeds its targets. They are therefore charged to the Fund;
- Transaction fees charged to the Fund.

For ongoing charges invoiced to the Fund, please refer to the "Charges" Section of the Key Information Document (KID)

Unit class	Management fees, indirect costs and outperformance fees				Transaction fees		
	Base	**Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)**	**Maximum indirect fees (management fees and charges)**	**Outperformance fee**	**Base**	**Fee accruing to the custodian**	**Fee accruing to the Management Company**
G units	Net assets	Maximum rate: 0.70% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
I units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
ID units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
J units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
JD units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
JS units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None
JU units	Net assets	Maximum rate: 1% incl. tax	Not significant(1)	10% of the outperformance compared with the 3-month EURIBOR index +3%(2)	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150(3) incl. tax	None

Unit class	Management fees, indirect costs and outperformance fees				Transaction fees		
	Base	**Management fees including external management fees (statutory auditor, custodian, distribution, lawyers, etc.)**	**Maximum indirect fees (managemen t fees and charges)**	**Outperformance fee**	**Base**	**Fee accruing to the custodian**	**Fee accruing to the Manage ment Company**
L units	Net assets	Maximum rate: 1.50% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
N units	Net assets	Maximum rate: 1.50% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
O units	Net assets	Maximum rate: 0.55% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
P units	Net assets	Maximum rate: 0.70% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
R units	Net assets	Maximum rate: 1.05% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
T units	Net assets	Maximum rate: 1.05% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None
U units	Net assets	Maximum rate: 1% incl. tax	Not significant[1]	10% of the outperformance compared with the 3-month EURIBOR index +3%[2]	Deducted from each transaction	Transferable securities: None Foreign exchange transaction: €10 incl. tax OTC product: from €10 to €150[3] incl. tax	None

[1] The UCIs held in the portfolio account for less than 20%.

[2] Method for calculating the outperformance fee.

[3] Depending on complexity.

Principles applicable to performance fees:

- General principles:

The performance fee is provisioned on each net asset value calculation date and charged upon calculation of the final NAV (net asset value) for each financial year.

The calculation method used is the “daily variation” model, which seeks to adjust the total provisioned balance when each NAV is calculated, based on the UCITS’s performance vis-à-vis the 3-month Euribor index + 3% since the previous NAV.

A benchmark asset is determined at each valuation of the UCITS. It represents the UCITS’s assets minus subscription/redemption amounts and valued based on the performance of the 3-month Euribor + 3% since the most recent valuation.

Where the UCITS’s valued assets, net of any fees, have outperformed the benchmark asset since the most recent NAV, an amount representing 10% of the difference will be added to the balance provisioned for performance fees. On the contrary, where the benchmark asset outperforms the Fund’s assets between two NAV calculation dates, a write-back of 10% of the difference will be made. The total provisioned balance cannot be negative, so write-backs are capped at the total value of existing provisions. Nevertheless, a theoretical negative balance will be noted so that future variable fees will only be provisioned once the underperformance recorded has been completely offset.

For redemptions, the portion of the provision for variable management fees corresponding to the number of units redeemed accrues in full to the management company.

In the event that no performance fee has been provisioned by the end of a reference period due to an underperformance vis-à-vis the benchmark index, the reference period will be extended to the following financial year with provision amounts calculated in the same way. Outperformance commission will therefore only be provisioned in the new financial year if past underperformance has been completely offset.

After five years without outperformance commission (underperformance overall over five years), the calculation mechanism no longer takes into account uncompensated underperformance before the five years, as illustrated in the second table below.

- Specific requirement for positive performance:

  Performance fees will only be provisioned if the UCITS’s performance is positive.

Figure 1: General operation

	Year 1	Year 2	Year 3	Year 4	Year 5
Performance of the Fund units	10%	5%	-7%	6%	3%
Performance of the benchmark index	5%	4%	-3%	4%	0%
Out/under-performance	5%	1%	-4%	2%	3%
Cumulative performance of the Fund over the observation period	10%	5%	-7%	-1%	2%
Cumulative performance of the benchmark index over the observation period	5%	4%	-3%	1%	1%
Cumulative out/under-performance over the observation period	5%	1%	-4%	-2%	1%
Commission levied?	Yes	Yes	No because the Fund has underperformed compared to the benchmark index	No because the Fund has underperformed over the entirety of the current observation period, which began in year 3	Yes
Start of a new observation period?	Yes, a new observation period begins in year 2	Yes, a new observation period begins in year 3	No, the observation period is extended to cover years 3 and 4	No, the observation period is extended to cover years 3, 4 and 5	Yes, a new observation period begins in year 6

Figure 2: How non-compensated performance is handled beyond year 5

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Performance of the Fund units	0%	5%	3%	6%	1%	5%
Performance of the benchmark index	10%	2%	6%	0%	1%	1%
A: Out/under-performance for the current year	-10%	3%	-3%	6%	0%	4%
B1: Year 1 uncompensated underperformance carry forward	N/A	-10%	-7%	-7%	-1%	Out of scope
B2: Year 2 uncompensated underperformance carry forward	N/A	N/A	0%	0%	0%	0%
B3: Year 3 uncompensated underperformance carry forward	N/A	N/A	N/A	-3%	-3%	-3%
B4: Year 4 uncompensated underperformance carry forward	N/A	N/A	N/A	N/A	0%	0%
B5: Year 5 uncompensated underperformance carry forward	N/A	N/A	N/A	N/A	N/A	0%
Out/under-performance observation period	-10% (A)	-7% (A + B1)	-10% (A + B1 + B2)	-4% (A + B1 + B2 + B3)	-4% (A + B1 + B2 + B3 + B4)	1% (A + B2 + B3 + B4 + B5)
Commission levied?	No	No	No	No	No	Yes

Any exceptional legal costs related to recovery of the Fund's receivables may be added to the fees detailed above. The contribution to the AMF will also be borne by the Fund.

Income from transactions involving the temporary purchase 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.

Description of the process for selecting intermediaries:

Axiom Alternative Investments has adopted a multi-criteria approach to selecting intermediaries, thus ensuring that its stock market orders are better implemented.

The criteria used shall be both quantitative and qualitative and depend on the markets on which intermediaries offer their services, both in terms of geographical areas and instruments.

The analysis criteria mainly include the availability and pro-activity of contacts, the financial strength, speed, and quality of the way in which orders are handled and fulfilled as well as brokerage costs.

4 COMMERCIAL INFORMATION

Any information relating to the Fund can be obtained by writing directly to:

Groupama Asset Management

25, rue de la Ville l'Evêque – 75008 Paris – France
or by visiting the website at: http//www.groupama-am.com

And

Axiom Alternative Investments
39, Avenue Pierre 1er de Serbie - 75008 Paris – France

The latest annual and interim documents are available to unitholders on request from:

Axiom Alternative Investments
39, Avenue Pierre 1er de Serbie - 75008 Paris – France

Subscription and redemption requests are cleared at CACEIS Bank:

CACEIS Bank
89-91 rue Gabriel Péri - 92120 Montrouge – France

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

Information relating to environmental, social and governance criteria (ESG) will be made available on the website www.axiom-ai.com and will appear in the annual report. The selection does not systematically and simultaneously include environmental, social and governance criteria (ESG criteria).

Information on voting rights:

Axiom Alternative Investments' voting policy and its report on voting rights are available on the website www.axiom-ai.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 OVERALL RISK

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

7 ASSET VALUATION AND ACCOUNTING RULES

The net asset value per unit is calculated taking into account the valuation rules specified below, the application procedures being set out in detail in the notes to the annual financial statements.

- Shares traded on a regulated French or foreign market operating regularly are valued on the basis of the last official stock market prices. The market price used depends on the market where the security is listed:

- European listing markets: last market price on the NAV calculation date
- Asian listing markets: last market price on the NAV calculation date
- North and South American listing markets: last market price on the NAV calculation date.

The prices used are those known at 9 am (CET) on the following day and as provided by: Fininfo or Bloomberg. In the event that a net asset is not listed, the last known market price is used.

- Transferable securities other than shares traded on a French or foreign regulated market operating regularly are valued on the basis of the last mid-price of the day. The valuation at the reference market price is conducted according to the procedures adopted by Axiom Alternative Investments and specified in the notes to the annual financial statements.

- Debt securities and equivalent securities that are not traded in large volumes are valued using an actuarial method, with the rate used being that of issues of equivalent securities plus or minus any differential representing the intrinsic characteristics of the issuer of the security. The methods of applying these rules shall be adopted by Axiom Alternative Investments and specified in the notes to the annual financial statements;

- For transferable securities, the price of which has not been listed on the valuation date and for other items on the balance sheet, Axiom Alternative Investments corrects their valuation to reflect variations that current events would probably generate. The statutory auditor is notified of this decision;

- Shares and units of the Fund are valued either on the basis of the last known net asset value, or at the last known price listed on the valuation date for the Fund that is quoted.

- Transactions on the futures markets are valued during clearing and conditional operations according to the title of the medium. The market value for futures contracts is equal to the price in euro multiplied by the number of contracts. The market value for conditional transactions is equal to the translation into an underlying equivalent.

The Fund has complied with the accounting rules set forth in the current regulations and, in particular, with the Fund's chart of accounts.

Management fees are charged to the Fund's profit and loss account when calculating each net asset value.

The Fund has opted for the Euro as its base accounting currency.

Interest is recorded using the accrued interest method.

All transactions are recorded exclusive of costs.

8 REMUNERATION

The remuneration policy implemented by Axiom Alternative Investments complies with the provisions of Directive 2014/91/EU of 23 July 2014, referred to as the "UCITS 5 Directive", with Article L 533-22-2 of the French monetary and financial code (AMF) as amended by decree no. 2016-312 of 17 March 2016 and AMF's general regulations, in particular Article 314-85-2 of the latter.

The remuneration policy applies to all employees responsible for control functions, portfolio managers, members of the company's Management Board and to all the company's risk-takers and to all employees who, in light of their overall remuneration, are in the same income bracket as directors and risk-takers, whose professional activities have a substantial impact on their risk profile or on the risk profile of the Fund they manage (the staff identified).

The remuneration of the staff identified includes a variable section, the payment methods and potential retention methods of which aim to:

- prevent any incitement to take risks that are incompatible with the risk profiles and instruments of incorporation of managed Funds;
- protect investors by preventing any conflicts of interest between one or more persons who are among the staff identified and the managed UCITS funds;

Ensure an appropriate balance between the fixed and variable components of the overall remuneration attributed to a particular staff member.

The remuneration policy established by Axiom Alternative Investments is updated annually to take into account in particular changes in regulations.

In line with the principle of proportionality, the governance of Axiom Alternative Investments in matters of pay is provided directly by its management board, which adopts the principles of the remuneration policy that apply.

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Annex level 2 — Template pre-contractual disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.7

Product name:
Groupama Axiom Legacy

Legal entity identifier:
969500DP8W3RXJ0YQZ75

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities.** That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Environmental and/or social characteristics

Does this financial product have a sustainable investment objective?

☐ **Yes**	☒ **No**
☐ It will make a minimum of **sustainable investments with an environmental objective:** __%	☐ It **promotes environmental/social (E/S) characteristics** and while it does not have as its objective a sustainable investment, it will have a minimum proportion of __% of sustainable investments
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	☐ with a social objective
☐ It will make a minimum of **sustainable investments with a social objective:** __%	X It promotes E/S characteristics, but **will not make any sustainable investments**

What environmental and/or social characteristics are promoted by this financial product?

The Fund promotes the following environmental and social characteristics:

- Environmental:

Factors relating to the direct and indirect impact of banking activities on the environment are taken into account. Among the direct factors, ESG scores assess the operational eco-efficiency of banks, including greenhouse gas emissions, energy consumption, and water use and disposal. ESG scores also assess indirect activities such as the climate strategy of loan portfolios and risk assessment. This data is accompanied by an internal methodology known as the Axiom Climate Readiness Score, which provides a more rigorous assessment of banks' climate performance (see box below).

The reason for this additional analysis can be explained by Axiom's belief in the key role played by the European banking sector in the achievement of the Paris Agreement, since the sector finances more than 70% of the EU economy. This means that we cannot attain a successful energy transition without the participation of banks. More robust methodologies are therefore required to understand how banks orientate their portfolios to finance the sector and the activities needed for the energy transition.

- Social:

ESG scores include indicators related to banks' practices in terms of human capital development, talent attraction and retention, financial inclusion, work practices, human rights, and health and safety in the workplace. Furthermore, the controversy database is used to analyse banks' good sales practices, as it monitors banks' exposure to disputes and settlements resulting from poor practices in their relationships with customers.
There is no designated benchmark index for attaining the environmental and social characteristics promoted by the Fund.

Axiom Climate Readiness Score

The ACRS (Axiom Climate Readiness Score) uses quantitative and qualitative analysis to assess the climate performance of financial institutions based on three pillars:

1. Corporate engagement. This pillar seeks to identity the level of priority that a company gives to climate change by observing its governance (for example, the involvement of the board of directors and senior management in decision-making), its climate strategy and related goals, as well as how it communicates the activities and means deployed to better integrate climate change.

2. Climate risks and opportunities management. This pillar assesses the processes and tools used by issuers to identify, measure and mitigate their exposure to climate risks, as well as the approach they use to take advantage of opportunities presented by the energy transition. Furthermore, a methodology is applied to assess the physical- and transition-risk exposure of banks' corporate loan portfolios, based on data pertaining to syndicated corporate loans.

3. Contribution to the transition to a low-carbon economy. This pillar seeks to understand issuers' potential contribution to the energy transition through their investments or corporate lending activities, as well as through the thematic products that they offer. A methodology is applied to assess how the temperature of their corporate loan portfolio (Implied Temperature Rise) aligns with the Paris Agreement's target of well below 2°C.

Sustainability indicators measure how the environmental or social characteristics promoted by the financial product are attained.

- ***What sustainability indicators are used to measure the attainment of each of the environmental or social characteristics promoted by this financial product?***

Subject to data availability, the following sustainability indicators are used to measure the attainment of each of the sustainability characteristics promoted by this Fund:

Specific environmental indicators:

- ACRS (Axiom Climate Readiness Score): Score of 0 to 100%; the higher the score, the better the Fund's climate performance.
- ITR (Implied Temperature Rise): The ITR indicates how the Fund is aligned with global climate targets. The temperature of the corporate loan portfolio is estimated by Axiom based on syndicated loan data. The lower the ITR, the better the Fund's climate performance.

Specific social indicators:

- Average ratio of women to men on the boards of directors of investee companies. A higher ratio indicates greater diversity.
- Number of active disputes concerning societal issues: the indicator covers both confirmed disputes and controversies that could lead to a dispute. A low indicator means that a company has few (or no) disputes and/or controversies.

Furthermore, the Fund's overall ESG score is monitored and compared to that of its universe.

- ***What are the objectives of the sustainable investments that the financial product partially intends to make, and how does the sustainable investment contribute to such objectives?***

This fund does not undertake to invest a minimum proportion in sustainable investments as defined in the SFDR or the Taxonomy Regulation.

- ***How do the sustainable investments that the financial product partially intends to make not cause significant harm to any environmental or social sustainable investment objective?***

This fund does not undertake to invest a minimum proportion in sustainable investments as defined in the SFDR or the Taxonomy Regulation.

The EU Taxonomy sets out a "do no significant harm" principle, in accordance with which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives, and which is accompanied by specific EU criteria.

The "do no significant harm" principle applies only to those investments underlying the financial product that take into account the EU criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the EU criteria for environmentally sustainable economic activities.

Any other sustainable investments must also not significantly harm any environmental or social objectives.

Does this financial product consider principal adverse impacts on sustainability factors?

☒ Yes
☐ No

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

The PAIs (Principal Adverse Impacts) considered by the Fund cover the most relevant indicators for the financial sector, including its direct and indirect impact on the environment and on society.

Environmental indicators mainly consist of GHG (greenhouse gas) emission indicators and goals to reduce GHG emissions over time. While banks have a relatively low direct impact on the environment compared to other sectors, they have a very high indirect impact through their lending activity. At present, the only environmental PAIs that cover indirect activities (Scope 3 downstream) are those relating to GHGs. However, this is a backward-looking indicator. To monitor banks' lack of commitment to decarbonisation, the Fund uses another indicator, which paints a more forward-looking picture. This is the share of investments in companies without any initiatives to reduce carbon emissions in line with Paris Agreement.

With respect to social PAIs, three main mandatory indicators are monitored as they are relevant to the financial sector and the Fund: i) the average unadjusted gender pay gap; ii) the average ratio of women to men on boards of directors; and iii) the lack of processes and compliance mechanisms to monitor compliance with the principles of the UN Global Compact and the OECD (Organisation for Economic Co-operation and Development) Guidelines for Multinational Enterprises. The PAIs relating to a) monitoring violations of the UN Global Compact principles and the OECD Guidelines for Multinational Enterprises and b) exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons) are not monitored as they are addressed in Axiom Alternative Investments' exclusion policy.

In addition, the Fund monitors the number of sentences and the amount of fines for violations of anti-corruption laws.

Relevant information on the PAIs on sustainability factors will be published in due course in the Fund's annual report.

What investment strategy does this financial product follow?

The investment strategy guides investment decisions based on factors such as investment objectives and risk tolerance.

The Fund's objective is to obtain, over a recommended minimum investment period of 4 years, an annualised return equal to or greater than that of the 3-month Euribor index +3% after deduction of management fees. The Fund takes into account companies with a good ESG (environmental, social and governance) and climate performance. The Fund's ESG score must be higher than that of its universe.

The ESG analysis covers at least 90% of the Fund's investments in the case of instruments issued by issuers within the investment grade category and at least 75% in the case of instruments issued by issuers within the high-yield category.

Issuers within the investment grade category have a rating higher than or equal to BBB- by Standard & Poor's, or Baa3 by Moody's, or BBB- by Fitch Ratings (the lowest of these ratings will apply) or deemed equivalent by Axiom Alternative Investments.

Issuers within the high-yield category have a rating strictly lower than BBB- by Standard & Poor's, or Baa3 by Moody's, or BBB- by Fitch Ratings (the lowest of these ratings will apply) or deemed equivalent by Axiom Alternative Investments.

- ***What are the binding elements of the investment strategy used to select the investments to attain each of the environmental or social characteristics promoted by this financial product?***

The Fund uses the following binding elements to select investments that contribute to attaining the environmental and social characteristics that it promotes:

Exclusion filters: They are used to exclude companies involved in prohibited activities. The latter are covered by Axiom Alternative Investments' thematic and sectoral policies and the associated exclusion list**.** Click here for more information: http://axiom-ai.com/web/data/documentation/Thematic-And-Sectoral-Exclusions.pdf

ESG analysis: ESG data is obtained from an external provider. The criteria and associated weightings vary by sector. Below are a few examples of assessed fields:

- Environment: Reporting and associated external checks, operational eco-efficiency, GHG emissions and water use.

- Social: Human capital development, talent attraction and retention, and financial inclusion.

The UCITS must have a higher average ESG score (cf. 3) than its investment universe. The ESG analysis covers at least 90% of the Fund's investments in the case of instruments issued by issuers within the investment grade category and at least 75% in the case of instruments issued by issuers within the high-yield category.

- ***What is the committed minimum rate to reduce the scope of the investments considered prior to the application of this investment strategy?***

There is no committed minimum rate to reduce the scope of the investments considered prior to the application of the investment strategy.

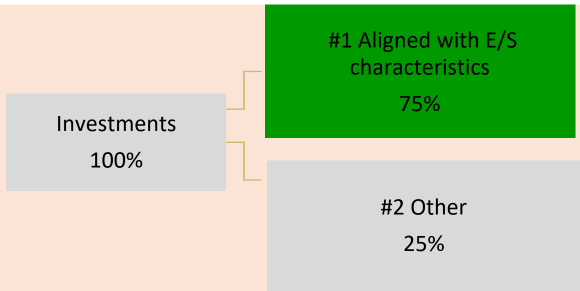
Good governance practices relate to sound management structures, employee relations, remuneration of staff and tax compliance.

- ***What is the policy to assess the good governance practices of the investee companies?***

Governance practices are taken into account in ESG ratings at different levels, in particular: i) at management level, by examining the board of directors (e.g. gender diversity, structure [executive/non-executive], effectiveness, diversity policy, average term of office, industry experience) and senior management (e.g. ratio of the CEO's salary to that of employees, CEO remuneration, management share ownership); ii) at the level of policies as well as the systems in place to implement those policies (e.g. professional code of conduct, anti-corruption policy); iii) actual practices, by examining the fines and settlements arising from anti-competitive practices, their involvement in corruption cases, and their disclosure of violations of various good governance policies.

What is the asset allocation planned for this financial product?

Asset allocation describes the share of investments in specific assets.



#1 Aligned with E/S characteristics includes the investments of the financial product used to attain the environmental or social characteristics promoted by the financial product.

#2 Other includes the remaining investments of the financial product which are neither aligned with the environmental or social characteristics, nor are qualified as sustainable investments.

-

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from the green activities of investee companies;
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy;
- **operational expenditure** (OpEx), reflecting the green operational activities of investee companies.

At least 75% of the Fund’s investments are used to attain the environmental and social characteristics promoted by the Fund. The remaining 25% is a) invested in companies for which ESG ratings are unavailable or for which not all environmental and social indicators can be assessed due to a lack of data, b) used for hedging purposes (non-ESG related) or c) cash held on an ancillary basis. However, minimum environmental and social safeguards are covered by the application of sectoral and thematic policies. Axiom Alternative Investments’ sectoral and thematic policies relate to energy and coal mining companies, conventional and unconventional oil and gas, violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, as well as gender equality and diversity.

The planned asset allocation is constantly monitored by the management team and reassessed each year.

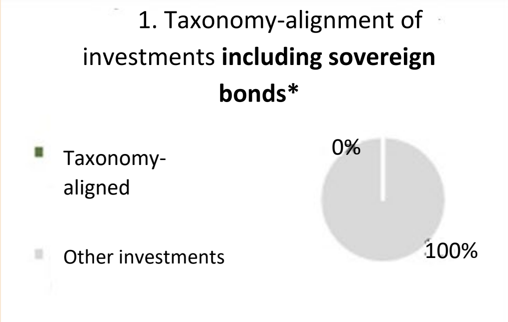
- ***How does the use of derivatives attain the environmental or social characteristics promoted by the financial product?***

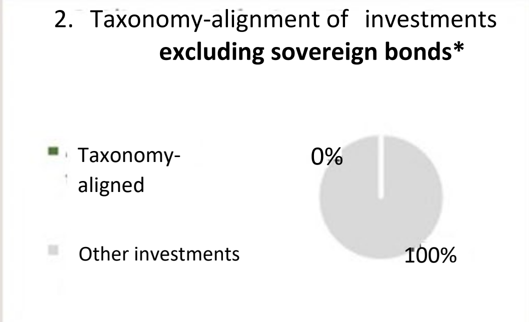
  The Fund does not use derivatives to attain the environmental or social characteristics that it promotes.

To what minimum extent are sustainable investments with an environmental objective aligned with the EU Taxonomy?

At present, none of the investments made are deemed Taxonomy-aligned given the lack of information from banks and insurers. The alignment percentage will be reassessed in 2024, once the banks publish their Green Asset Ratio and insurers publish their Taxonomy alignment.

The two graphs below show in green the minimum percentage of investments that are aligned with the EU Taxonomy. As there is no appropriate methodology to determine the Taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy-alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy-alignment only in relation to the investments of the financial product other than sovereign bonds.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures***

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and, among other characteristics, have greenhouse gas emission levels corresponding to the best possible performance.

- ***What is the minimum share of investments in transitional and enabling activities?***

At present, none of the investments made are deemed to be transitional or enabling activities given the lack of information from data providers. The alignment percentage will be reassessed in 2024, once data providers have more visibility on banks' loan portfolios.

What is the minimum share of sustainable investments with an environmental objective that are not aligned with the EU Taxonomy?

The symbol represents environmentally sustainable investments that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

At present, none of the investments made are deemed Taxonomy-aligned given the lack of information from banks and insurers. The Fund does not promote socially sustainable investments.

What is the minimum share of socially sustainable investments?

The Fund does not promote socially sustainable investments.

What investments are included under "#2 Other", what is their purpose and are there any minimum environmental or social safeguards?

Investments included under "#2 Other" relate to companies for which ESG ratings are unavailable or for which not all environmental and social indicators can be assessed due to a lack of data. The Fund invests in issuers within the high-yield category, issuers for which there is little or no ESG data available. Such investments are necessary for i) the Fund's risk-return profile; ii) hedging purposes; and iii) cash held on an ancillary basis. However, minimum environmental and social safeguards are covered by the application of sectoral and thematic policies.

Is a specific index designated as a reference benchmark to determine whether this financial product is aligned with the environmental and/or social characteristics that it promotes?

No ESG reference benchmark is used. The Euribor 3-month reference benchmark is not an index that integrates environmental and social considerations.

Where can I find more product-specific information online?

More product-specific information can be found on the website: **https://axiom-ai.com/web/en/groupama-axiom-legacy-21-class-p/#**