



# ECHIQUIER CONVEXITE SRI EUROPE D

DECEMBER 2020 (data as of 12/31/2020)



Echiquier Convexité SRI Europe applies a conviction-driven management approach largely based on a bottom-up process to identify the best investment vehicles possible. Investing in convertible bonds and equivalent securities of the European Union, it seeks to optimize convexity and maximize the risk/return ratio of the fund.



172 M€  
Net assets



12,061.58 €  
NAV

## Characteristics

Inception date	01/09/2013
ISIN	FR0010979039
Bloomberg code	AAMACED FP
Base currency	EUR
Income allocation	Capitalisation et/ou Distribution
Ref. Indic.	ECI-EUROPE HEDGED

## Financial information

Subscription/ redemption fee	3% max. / None
Yearly management fees	0.70% incl. taxes
Performance fee	No
Liquidity	Daily
Cut off	Noon
Settlement	D+2
Fund administrator	Société Générale
Custodian	BNP Paribas Securities Services

## Risk and reward profile (%)

(based on weekly figures)

	1 year	3 Y	5 Y
Fund volatility	9.3	6.6	5.9
Ref. indicator volatility	9.7	6.7	6.2
Sharpe ratio	0.4	0.3	0.3
Beta	0.9	0.9	0.9
Correlation	1.0	0.9	0.9
Information ratio	-1.3	-1.3	-0.7
Tracking error	2.1	2.3	2.2
Max. drawdown of the fund	-12.3	-12.3	-12.3
Max. drawdown of the benchmark	-12.8	-12.8	-12.8
Recovery (business days)	191.0	191.0	191.0

Lower risk, potentially lower return Higher risk, potentially higher return



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

Recommended investment horizon

2 years

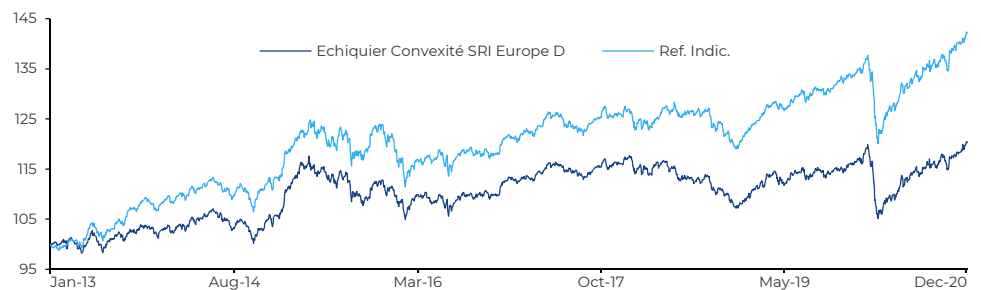
## Fund Manager comments

Echiquier Convexité SRI Europe D turned in a positive performance of 1.63% monthly and of 3.82% year-to-date.

The end of the year was particularly positive for convertible bonds and especially for Echiquier Convexité SRI Europe, which obtained the SRI label from the French government to mark a historic step for a fund whose process has long been committed to the principles of responsible investment. December extended a remarkable 2020, with the fund's performance in line with that of equity indices thanks to strong showings from DELIVERY HERO (+25%), NEOEN (+24%) and ZALANDO (+8%). These stocks have maintained exceptional trajectories while benefiting from the consequences of the pandemic, in particular the change in consumer behaviour and the associated rise in distance shopping. 2020 marked the return to form of the primary market with 24 billion in issues, allowing for a renewal of more than 25% of the universe. December was not to be outdone with four further issues, including PIRELLI 2025 in which we participated. This quality company is focused on the top end of the market, offering it higher margins than its competitors, while its share price remains discounted due to a shareholder base and a management team that is difficult to decipher.

Fund Managers: Emmanuel Martin, Guillaume Jourdan

## Evolution of the performance of the fund and its reference indicator since inception (base 100)



Ref. Indic. : source Bloomberg

## Cumulative performance (%)

	Fund	Ref. Indic.
1 month	+1.6	+1.3
YTD	+3.8	+6.7
3 Y	+3.7	+13.1
5 Y	+7.9	+16.6
Since inception	+20.3	+42.1

## Annualised performance (%)

	Fund	Ref. Indic.
1 year	+3.8	+6.7
3 Y	+1.2	+4.2
5 Y	+1.5	+3.1
Since inception	+2.3	+4.5

## Performance history (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
													Fund	Ref. Indic.
2016	-2.4	-0.8	+1.7	-1.2	+1.1	-2.2	+2.0	+0.2	+0.3	+0.1	-0.2	+2.5	+1.0	-0.4
2017	-0.5	+0.9	+0.8	+0.8	+0.7	-1.2	-0.1	-0.8	+1.3	+1.4	-0.4	+0.0	+3.0	+3.5
2018	+0.7	-1.2	-1.1	+1.3	-1.1	-1.3	+0.1	-0.3	+0.7	-2.3	-1.0	-2.0	-7.2	-4.9
2019	+1.4	+1.9	+0.9	+2.2	-2.4	+1.9	+0.5	-0.3	+0.4	-0.2	+0.6	+0.6	+7.6	+11.4
2020	+0.2	-0.4	-7.5	+2.5	+1.5	+1.6	+0.5	+2.0	+0.0	-0.9	+3.1	+1.6	+3.8	+6.7

## For more information

The fund is invested on financial markets. It presents a risk of capital loss.

Past performance is not a reliable indicator of future performance and is not constant over time.

Performance of the fund and the benchmark are calculated net of income (as of the 2013 financial year). Until 2012, however, the performance of the benchmark did not include income.

This commercial document aims to inform you in a simple way on the fund's characteristics.

For more information about risks and fees, please refer to the KIID, prospectus or contact your usual representative.

4 stars in Morningstar category Convertible Bond - Europe as at 30/11/2020.

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## Fund Profile

Number of positions	53
Average rating (rated issuers)	BBB+
Average maturity	3.4

Yield of bond component	-2.6%
Modified duration	2.9

Source: LFDE

## Convertible Bond Profile

Average premium	32.8%
Distance to bond floor	-14.2%
Convexity -20%	-6.1%
Convexity +20%	10.8%

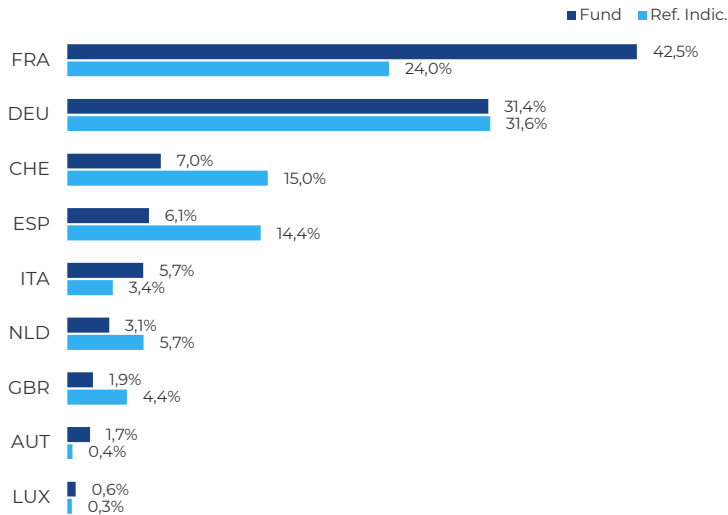
## Equity sensitivity breakdown

Equity sensitivity	41.9%
<i>Including convertible bonds</i>	34.3%
<i>Including options</i>	7.6%

Source: LFDE

## Geographic breakdown

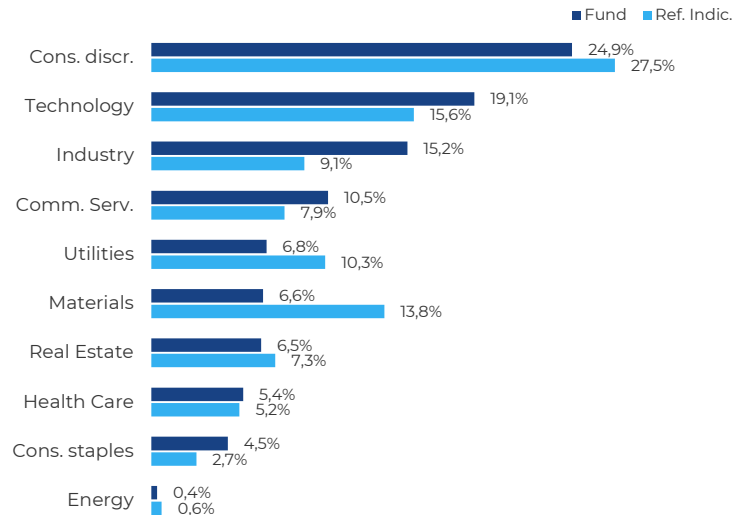
(equity sensitivity %)



Source: LFDE

## Sector breakdown (GICS)

(equity sensitivity %)



Source: Bloomberg

## Top holdings

% of the net assets

Name	Country	Sector	%
Worldline CV 0% 07/26	FRA	IT	4.5
STM CV 0 % 08/25	NLD	IT	3.9
D. Post CV 0.05% 06/25	DEU	Industry	3.9
JPM/LVMH CV 0% 09/22	FRA	Cons. discr.	3.3
Deliv. Hero CV 0.875% 07/25	DEU	Cons. discr.	3.3

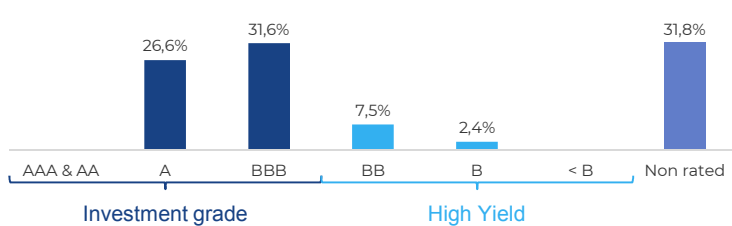
% of the equity sensitivity

Name	Country	Sector	%
SIEMENS	DEU	Industry	2.2
LVMH	FRA	Cons. discr.	2.2
SAP	DEU	IT	2.1
NEOEN	FRA	Utilities	1.8
DELIVERY HERO	DEU	Cons. discr.	1.7

Source: LFDE

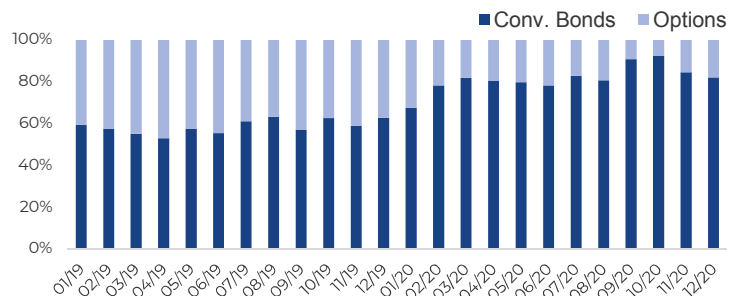
## Rating breakdown

(% of the net assets without cash)



Source: LFDE

## Historical breakdown of equity sensitivity by instruments over two years



Source: LFDE

ESG Data

<b>Selectivity rate*</b>	<b>26.5%</b>	
Minimum ESG score	5.5/10	
Number of issuers covered by the ESG analysis	Fund 45	Investment universe** 1352
% of positions covered by the ESG analysis	100%	100%
Average ESG rating	6.7/10	5.9/10

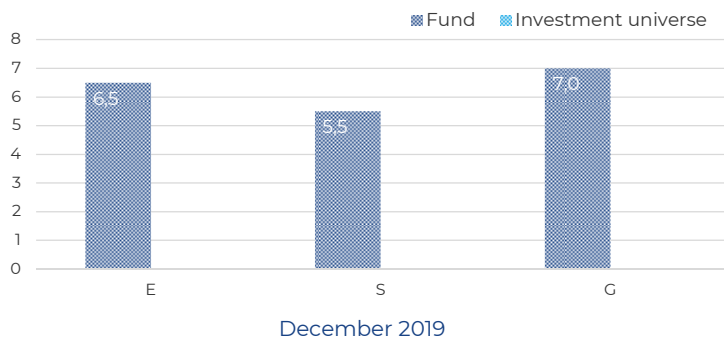
\*Selectivity rate: percentage of the investment universe excluded due to ESG criteria  
\*\*As of 12/31/2020

Top ESG ratings of the fund

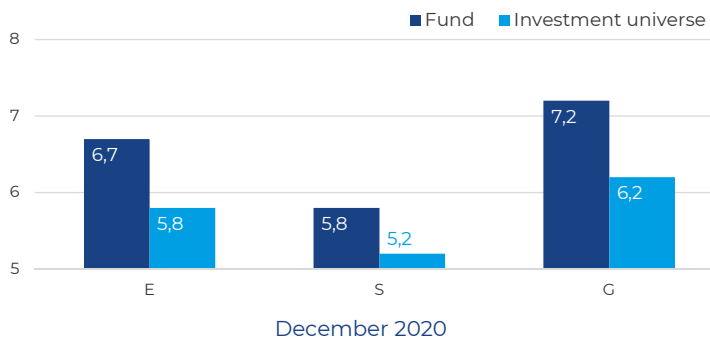
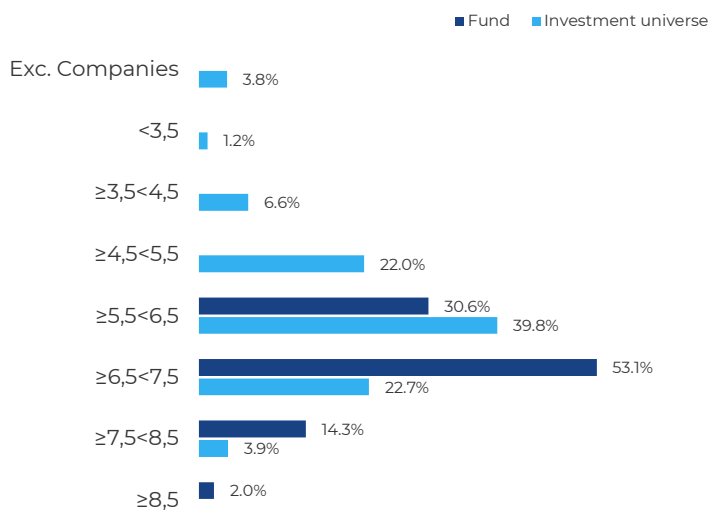
Name	Country	ESG score	E	S	G
SCHNEIDER ELECTRIC	France	<b>8.4</b>	9.1	7.9	8.3
WORLDLINE	France	<b>8.0</b>	8.2	7.8	8.0
AMADEUS IT	Spain	<b>7.9</b>	7.3	8.2	7.9
ORANGE	France	<b>7.9</b>	10.0	5.9	8.3
SIKA	Switzerland	<b>7.8</b>	7.0	6.4	8.5

Weight of the 5 best ESG score: **11.0%**

Average scores compared to the investment universe\*

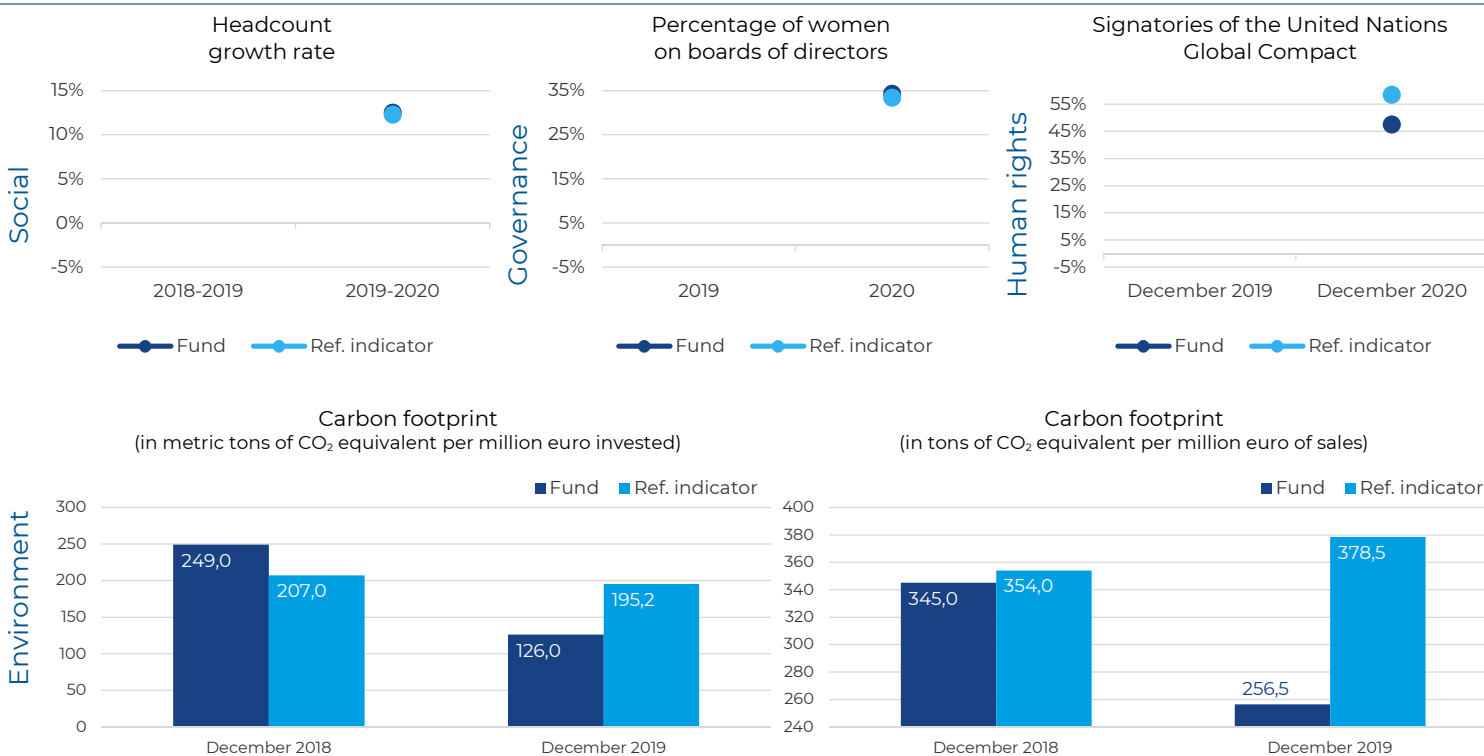


Distribution of ESG ratings of the fund and the investment universe\*



\*Quarterly data as of 12/31/2020

Impact data



Semi-annual data as 12/31/2020

News

**Lastest five ESG analyses (in the investment universe)**

Name	Country	Invested company?	ESG score	Evolution of the rating
DEUTSCHE WOHNEN	Germany	NO	6.9/10	Down
TAG IMMOBILIEN	Germany	NO	7.2/10	First rating
NEXI	Italy	NO	6.3/10	First rating
ENBW	Germany	NO	6.4/10	Down
DAVIDE CAMPARI	Netherlands	NO	5.3/10	Up

The ESG score is not the only criteria taken into account to invest in a company. Other criterias are also taken into account

**Comment**

A pioneer of responsible investment in France, La Financière de l'Echiquier (LFDE) signed the Finance for Biodiversity Pledge, an initiative designed to mobilise financial institutions in support of biodiversity. To date, the collaborative commitment has brought together nearly forty international institutions, including the Caisse des Dépôts et Consignations, representing EUR 3,000 billion in assets under management. This call to world leaders comes ahead of the 15th Conference of the Parties (COP 15) to the Convention on Biological Diversity (CBD) in May 2021. This initiative is part of the formalisation of LFDE's climate strategy, which is currently being deployed operationally. The strategy will notably involve training for its managers and all its teams, as well as an in-depth integration of the climate into LFDE's risk management policy. As part of the Finance for Biodiversity Pledge, LFDE is committed to integrating biodiversity criteria into its analyses, to measuring the impact of its investments and to publishing them transparently by 2024.

Methodology

	Hedging	2017-2018	2018-2019	2019-2020		Hedging	2018	2019	2020
Headcount growth rate	Portfolio	-	-	92.5%	Percentage of women on boards of directors	Portfolio	-	-	88.8%
	Ref. indicator	-	-	99.2%		Ref. indicator	-	-	99.2%
Calculation method: (Headcount year N/Headcount year N-1)-1					Calculation method: (Number of women on board/Total number of board members)				
	Hedging	Dec 2018	Dec 2019	Dec 2020		Hedging	Dec 2017	Dec 2018	Dec 2019
Percentage of UN GC signatories	Portfolio	-	-	100.0%	Carbon data	Portfolio	-	81.0%	81.0%
	Ref. indicator	-	-	100.0%		Data communicated provided >80% of the portfolio covered by Trucost			

The table above shows the data coverage rates for each impact indicator presented above.

We found no difficulty in measuring those impact indicators.

ESG: Environmental, Social and Governance criteria. At la Financière de l'Echiquier, the Governance score accounts for 60% of the ESG score.

Investment universe: companies that can be invested according to the fund prospectus, before ESG filters.

For further information related to the methodologies used to calculate ESG indicators above and on our approach as a responsible investor, please refer to our transparency code and other documents available on La Financière de l'Echiquier's website at the following link: [www.lfde.com/en/responsible-investment/to-find-out-more/](http://www.lfde.com/en/responsible-investment/to-find-out-more/)

Sources: La Financière de l'Echiquier, Bloomberg, The United Nations Global Compact, Trucost