

ANNUAL REPORT AND AUDITED FINANCIAL ACCOUNTS

AT 31 DECEMBER 2018

UBAM CONVERTIBLES

Société d'investissement à Capital Variable France – French Mutual Fund



GROUPE UNION BANCAIRE PRIVÉE

Subscriptions are only valid if made on the basis of the current prospectus, the Key Investor Information Document (KIID), accompanied by the latest annual report and the most recent half-yearly report, if the latter was published after the annual report.

No party may provide information other than that appearing in this prospectus, or in the other documents referred to in the prospectus and which is available to the public.

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Company information

REGISTERED OFFICE

UBP Asset Management (France)
Union Bancaire Gestion Institutionnelle (France) SAS
116 avenue des Champs Elysées – 75008 PARIS - FRANCE

**FINANCIAL MANAGER
BY DELEGATION**

UBP Asset Management (France)
Union Bancaire Gestion Institutionnelle (France) SAS
Management Company
116 avenue des Champs Elysées – 75008 PARIS - FRANCE

DEPOSITARY AND CUSTODIAN

Caceis Bank
1-3 place Valhubert - 75013 PARIS - FRANCE

MARKETING AGENT

UBP Asset Management (France)
Union Bancaire Gestion Institutionnelle (France) SAS
116 avenue des Champs Elysées – 75008 PARIS - FRANCE

**DISTRIBUTOR, REPRESENTATIVE
AND PAYING AGENT FOR
SWITZERLAND**

UNION BANCAIRE PRIVEE, UBP SA
96-98 rue du Rhône – case postale 1320 - CH - 1211 Genève 1
SWITZERLAND

STATUTORY AUDITOR

ERNST & YOUNG AUDIT
Tour First TSA 14444
92037 Paris la Défense Cedex - FRANCE

BOARD OF DIRECTORS

Chairman and CEO

Mr Dominique LEPREVOTS

Director General

Mr Marc BASSELIER

Director

Mr Pierre BERGER

Information concerning investments and management

CLASSIFICATION: The SICAV UBAM CONVERTIBLES is a mutual fund with sub-funds.

MANAGEMENT OBJECTIVE: The objective of each sub-fund is defined in its prospectus. Each sub-fund may be the subject of a request for admission to trading on any regulated stock market, depending upon the regulations in force.

The objective of the SICAV is to offer a range of sub-funds.

At 31 December 2018, the SICAV UBAM CONVERTIBLES comprised 4 sub-funds:

- UBAM CONVERTIBLES EUROPE
- UBAM CONVERTIBLES EUROPE 10-40
- UBAM CONVERTIBLES GLOBAL
- UBAM CONVERTIBLES GLOBAL 10-40

• Shareholders may upon request obtain all information concerning the fund from the management company. The net asset value is available through the management company for this purpose.

• The full prospectus of the fund, the most recent annual report and other regularly published reports, the “voting policy” document and the report on the exercise of voting rights will be sent within one week of receipt of a written request from the shareholder addressed to:

UBP Asset Management (France)
Union Bancaire Gestion Institutionnelle (France) SAS
116, avenue des Champs Elysées 75008 PARIS.
Tel: 0044 (0)175 778 080 - e-mail: ubpamfrance@ubp.com

- AMF (French Financial Markets Authority) approval date: 17 September 1999.
- Creation date of the Ubam Convertibles Europe sub-fund: 17 September 1999.
- Creation date of the Ubam Convertibles Europe 10-40 sub-fund: 23 September 2008.
- Creation date of the Ubam Convertibles Global sub-fund: 30 November 2012.
- Creation date of the Ubam Convertibles 10-40 sub-fund: 9 October 2014.

Changes concerning the Fund

On 6 February 2018, the General Management of the asset management company and delegated financial manager, UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS (« UBP Asset Management (France) »), in agreement with the General Management and the Board of Directors of the SICAV, decided to make the following changes to the prospectus of the Fund, for each sub-fund:

- The following information has been added in relation to investors for whom the type U share categories are reserved:

Type U share class is only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:

- portfolio management services; or
- independent investment advisory services;
- similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

- Additional information was added to the “Assets” section in relation to the definition of convertible bonds and/or equivalent securities;
- It is specified that the sub-fund will not use contingent convertible bonds (Cocos);
- In the “Fees and commissions” section, it is specified that transaction fees relating to all operations on the primary market, listed derivatives and foreign exchange are excluded from the base of fees deducted by the management company.

It was also added that each share category bears individually the cost incurred from the execution of hedging transactions to cover its own exchange rate risk. If applicable, the fee incurred from these transactions may be added to the price of the hedging transactions in the form of “price spread”; in all cases this is limited to maximum 0.02, tax included, of the amount of the transaction.

These changes were implemented from **9 February 2018**.

On 07 June 2018, the General Management of the asset management company and delegated financial manager, UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS (« UBP Asset Management (France) »), in agreement with the General Management and the Board of Directors of the SICAV, decided to make the following changes to the prospectus of the SICAV UBAM CONVERTIBLES:

For the feeder sub-fund « UBAM CONVERTIBLES EUROPE »:

- Change of name of the Master Fund to « UBAM CONVERTIBLES EUROPE SRI ».

For all sub-funds:

- Compliance with the last version of the AMF 2011-19 instruction, more specifically relating to subscription and redemption procedures.

These changes were implemented from **12 June 2018**.

On 26 December 2018, the General Management of the asset management company and delegated financial manager, UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS (« UBP Asset Management (France) »), in agreement with the General Management and the Board of Directors of the SICAV, decided to make the following changes to the prospectus of the SICAV UBAM CONVERTIBLES:

For the feeder sub-fund « UBAM CONVERTIBLES EUROPE »:

- Modification of the investment strategy of the Master Fund « UBAM CONVERTIBLES EUROPE SRI » following the termination of the advisory contract with La Banque Postale Asset Management, which provided the analysis and selection of the European convertible bonds of the Master Fund meeting the environmental, social and governance criteria (ESG).
The management company has decided to develop its own rating of the ESG criteria based on data provided by MSCI ESG Research.

For the « UBAM CONVERTIBLES GLOBAL » Sub-fund:

- Creation of new share classes: UHC USD, UHD USD and UHC CHF, UHD CHF.
- These shares are only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:
 - portfolio management services; or
 - independent investment advisory services;
 - similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

In addition, these shares will be hedged. Therefore, “for all shares denominated in a currency other than the Euro, the currency risks of the share currency with respect to the reference currency of the Fund, will be subject to systematic hedging transactions.

However, given the technical difficulties in carrying out this hedging, the share classes denominated in a currency other than the Euro may possibly be exposed to a residual exchange rate risk due to the changes in the value of liabilities (subscriptions/redemptions) or assets (change in the value of assets hedged). All the costs and risks ensuing from hedging transactions on the exchange rate risk shall be at the charge of the share classes denominated in a currency other than the Euro, respectively.

For all sub-funds:

- Update of the asset valuation rules and practical arrangements;

These changes were implemented from **31 December 2018**.

Information concerning corporate officers

CORPORATE GOVERNANCE REPORT

List of mandates and positions held in any company by each of these officers during the financial year¹:

- Dominique LEPREVOTS
 - CEO, Union Bancaire Gestion Institutionnelle (France) SAS;
 - CEO and Director General of the Board of Directors of the Sicav UBAM Convertibles;
 - CEO of UBP Holdings (FRANCE) SAS;
 - Member of the Board of Directors of the Sicav S2iEM;
 - Member of the Board of Directors of the Fund UBP PG SICAV.

- Marc BASSELIER
 - Director General, Union Bancaire Gestion Institutionnelle (France) SAS;
(replacing Mr JE REYMOND).

- Pierre BERGER
 - Director.

Agreements concluded, directly or through a third party, between, as the first party, one of the corporate officers or one of the shareholders holding more than 10% of voting rights of a company and as the second party, a company in which the first party holds directly or indirectly more than half of the capital, with the exception of agreements relating to current operations and concluded in normal conditions.

No such agreement was concluded during previous financial years, the execution of which would be carried out during the financial year ended December 2018.

No such agreement was concluded during the financial year ended December 2018.

Summary table of currently valid delegations granted by the annual general meeting of the shareholders with respect to a capital increase in application of articles L.225-129-1 and L.225-129-2 of the French Commercial Code.

Not relevant to the SICAV.

The Methods of exercising general management in the conditions set forth in Article L.225-51-1 of the French Commercial Code.

The Board of Directors voted to combine the functions of Chairman of the Board of Directors and Managing Director.

¹ Information relating to mandates and positions held during the financial year has been sent to the SICAV by each corporate officer under his own responsibility.

Report of the Board of Directors

UBAM CONVERTIBLES
Société d'investissement à Capital Variable
SICAV

**REPORT OF THE BOARD OF DIRECTORS
TO THE EXTRAORDINARY GENERAL MEETING**

HELD ON 23 APRIL 2019

(or 13 May 2019, in the absence of a quorum)

Dear Sirs/Madams,

We have convened this Extraordinary General Meeting in order to submit for your approval the proposal to update the Articles of Association of the SICAV by drafting them according to the models presented in the last version of AMF n° 2011-19 (draft Articles of Association attached).

We would be very grateful if you could approve the proposal we have submitted to you.

The Board of Directors



UBAM Convertibles

Exercice clos le 31 décembre 2018

Rapport du commissaire aux comptes sur les comptes annuels

A l'Assemblée Générale de la SICAV UBAM Convertibles,

Opinion

En exécution de la mission qui nous a été confiée par votre conseil d'administration nous avons effectué l'audit des comptes annuels de l'organisme de placement collectif UBAM Convertibles constitué sous forme de société d'investissement à capital variable (SICAV) relatifs à l'exercice clos le 31 décembre 2018, tels qu'ils sont joints au présent rapport.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l'exercice écoulé ainsi que de la situation financière et du patrimoine de la SICAV à la fin de cet exercice.

Fondement de l'opinion

Référentiel d'audit

Nous avons effectué notre audit selon les normes d'exercice professionnel applicables en France. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Les responsabilités qui nous incombent en vertu de ces normes sont indiquées dans la partie « Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels » du présent rapport.

Indépendance

Nous avons réalisé notre mission d'audit dans le respect des règles d'indépendance qui nous sont applicables, sur la période du 1^{er} janvier 2018 à la date d'émission de notre rapport, et notamment nous n'avons pas fourni de services interdits par le Code de déontologie de la profession de commissaire aux comptes.

Justification des appréciations

En application des dispositions des articles L. 823-9 et R. 823-7 du Code de commerce relatives à la justification de nos appréciations, nous vous informons que les appréciations les plus importantes auxquelles nous avons procédé, selon notre jugement professionnel, ont porté sur le caractère approprié des principes comptables appliqués, notamment pour ce qui concerne les instruments financiers en portefeuille et sur la présentation d'ensemble des comptes au regard du plan comptable des organismes de placement collectif à capital variable.

Les appréciations ainsi portées s'inscrivent dans le contexte de l'audit des comptes annuels pris dans leur ensemble et de la formation de notre opinion exprimée ci-avant. Nous n'exprimons pas d'opinion sur des éléments de ces comptes annuels pris isolément.

Vérifications spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par les textes légaux et réglementaires.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du conseil d'administration et dans les autres documents sur la situation financière et les comptes annuels adressés aux actionnaires.

Rapport sur le gouvernement d'entreprise

Nous attestons de l'existence, dans le rapport du conseil d'administration sur le gouvernement d'entreprise, des informations requises par l'article L. 225-37-4 du Code de commerce.

Responsabilités de la direction et des personnes constituant le gouvernement d'entreprise relatives aux comptes annuels

Il appartient à la direction d'établir des comptes annuels présentant une image fidèle conformément aux règles et principes comptables français ainsi que de mettre en place le contrôle interne qu'elle estime nécessaire à l'établissement de comptes annuels ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes annuels, il incombe à la direction d'évaluer la capacité de la SICAV à poursuivre son exploitation, de présenter dans ces comptes, le cas échéant, les informations nécessaires relatives à la continuité d'exploitation et d'appliquer la convention comptable de continuité d'exploitation, sauf s'il est prévu de liquider la SICAV ou de cesser son activité.

Les comptes annuels ont été arrêtés par le conseil d'administration.

Responsabilités du commissaire aux comptes relatives à l'audit des comptes annuels

Il nous appartient d'établir un rapport sur les comptes annuels. Notre objectif est d'obtenir l'assurance raisonnable que les comptes annuels pris dans leur ensemble ne comportent pas d'anomalies significatives. L'assurance raisonnable correspond à un niveau élevé d'assurance, sans toutefois garantir qu'un audit réalisé conformément aux normes d'exercice professionnel permet de systématiquement détecter toute anomalie significative. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement



s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes prennent en se fondant sur ceux-ci.

Comme précisé par l'article L. 823-10-1 du Code de commerce, notre mission de certification des comptes ne consiste pas à garantir la viabilité ou la qualité de la gestion de votre SICAV.

Dans le cadre d'un audit réalisé conformément aux normes d'exercice professionnel applicables en France, le commissaire aux comptes exerce son jugement professionnel tout au long de cet audit. En outre:

il identifie et évalue les risques que les comptes annuels comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définit et met en œuvre des procédures d'audit face à ces risques, et recueille des éléments qu'il estime suffisants et appropriés pour fonder son opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne;

il prend connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne ;

il apprécie le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par la direction, ainsi que les informations les concernant fournies dans les comptes annuels ;

il apprécie le caractère approprié de l'application par la direction de la convention comptable de continuité d'exploitation et, selon les éléments collectés, l'existence ou non d'une incertitude significative liée à des événements ou à des circonstances susceptibles de mettre en cause la capacité de la SICAV à poursuivre son exploitation. Cette appréciation s'appuie sur les éléments collectés jusqu'à la date de son rapport, étant toutefois rappelé que des circonstances ou événements ultérieurs pourraient mettre en cause la continuité d'exploitation. S'il conclut à l'existence d'une incertitude significative, il attire l'attention des lecteurs de son rapport sur les informations fournies dans les comptes annuels au sujet de cette incertitude ou, si ces informations ne sont pas fournies ou ne sont pas pertinentes, il formule une certification avec réserve ou un refus de certifier;

il apprécie la présentation d'ensemble des comptes annuels et évalue si les comptes annuels reflètent les opérations et événements sous-jacents de manière à en donner une image fidèle.

Paris-La Défense, le 8 avril 2019

Le Commissaire aux Comptes
ERNST & YOUNG Audit

David Koestner

Annual Accounts

Balance Sheet - Assets (in EUR)

	31/12/2018	29/12/2017
Net fixed assets		
Deposits		
Financial instruments	1 020 233 345.73	1 698 639 349.14
Equities and similar securities	6 368 721.83	17 612 546.69
Traded on a regulated or similar market	6 368 721.83	17 612 546.69
Not traded on a regulated or similar market		
Bonds and similar securities	953 906 460.23	1 586 858 606.95
Traded on a regulated or similar market	953 906 460.23	1 586 858 606.95
Not traded on a regulated or similar market		
Debt securities		
Traded on a regulated or similar market		
Transferable debt securities		
Other debt securities		
Not traded on a regulated or similar market		
Undertakings for collective investment		81 975 287.59
UCISTS retail funds and AIFs aimed at non-professional and equivalent investors from other countries		
Other Funds aimed at non-professional and equivalent investors from the EU member states		
Professional retail and other equivalent Funds from other EU member states and listed securitization vehicles		
Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles		81 975 287.59
Other non-European funds		
Repurchase agreements		
Receivables on securities received under a repurchase agreement		
Receivables on loaned securities		
Borrowed securities		
Securities transferred under a repurchase agreement		
Other temporary transactions		
Derivative instruments	5 497 530.83	12 192 907.91
Transactions on a regulated or similar market	5 497 530.83	12 192 907.91
Other transactions		
Other financial instruments		
Receivables	1 011 265 178.97	1 117 831 165.96
Currency forward exchange contracts	1 006 966 073.77	1 097 218 649.91
Other	4 299 105.20	20 612 516.05
Financial accounts	24 370 360.76	44 451 940.74
Cash	24 370 360.76	44 451 940.74
Total assets	2 055 868 885.46	2 860 922 455.84

Annual Accounts

Balance sheet - Liabilities (in EUR)

	31/12/2018	29/12/2017
Equity Capital		
Capital	1 075 887 922.48	1 670 845 097.68
Accumulated undistributed net realised gain (loss) (a)		
Retained earnings (a)	109.20	596.59
Net realised gain (loss) for the year (a, b)	-33 772 883.12	82 543 355.40
Profit or loss (a, b)	2 333 821.41	2 392 115.45
Total equity capital (= amount representing net assets)	1 044 448 969.97	1 755 781 165.12
Financial instruments	241 806.77	132 960.72
Sales of financial instruments		
Repurchase agreements		
Payables on securities under a repurchase agreement		
Payables on borrowed securities		
Other temporary transactions		
Derivative instruments	241 806.77	132 960.72
Transactions on a regulated or similar market	241 806.77	132 960.72
Other transactions		
Payables	1 010 872 301.01	1 104 889 311.07
Currency forward exchange contracts	1 007 118 003.97	1 087 618 514.14
Other	3 754 297.04	17 270 796.93
Financial accounts	305 807.71	119 018.93
Current bank account	305 807.71	119 018.93
overdrafts Loans		
Total liabilities	2 055 868 885.46	2 860 922 455.84

(a) Including adjusted accounts

(b) Reduced by interim dividends paid for the financial year

Annual Accounts

Off-Balance Sheet (in EUR)

	31/12/2018	29/12/2017
Hedging transactions		
Commitments on regulated or similar markets		
Futures contracts		
FV CBOT UST 5 0318		20 145 567.27
FV CBOT UST 5 0319	17 026 748.72	
XEUR FGBM BOB 0318		16 714 470.00
XEUR FGBM BOB 0319	3 975 600.00	
Options		
RUSSELL 2000 INDEX 06/2019 PUT 1330	16 836 153.03	
OTC commitments		
Futures contracts		
Other commitments		
Credit Default Swaps		
Other transactions		
Commitments on regulated or similar markets		
Futures contracts		
Options		
DEUTSCHE POST NAMEN 12/2019 CALL 40	46 972.29	3 396 899.97
DEUTSCHE POST NAMEN 12/2020 CALL 44	200 428.33	
DJ EURO STOXX 50 12/2019 CALL 3100	12 890 413.68	
FRESENIUS 12/2018 CALL 76		674 376.89
LVMH 12/2019 CALL 280	2 420 087.30	
LVMH 12/2020 CALL 240		12 488 957.17
MICHELIN - CAT.B 12/2020 CALL 120		9 752 125.21
SAINT-GOBAIN 06/2019 CALL 52	62 217.62	8 193 566.92
SIEMENS AG NAMEN 12/2019 CALL 120		6 244 181.24
SIEMENS AG-REG 06/2019 CALL 120	207 191.37	
TOTAL 12/2022 CALL 50	4 755 494.99	
VINCI (EX SGE) 12/2021 CALL 80	2 497 300.77	14 346 813.90
OTC commitments		
Futures contracts		
Other commitments		

Annual Accounts

Profit and Loss Statement (in EUR)

	31/12/2018	29/12/2017
Income from financial transactions		
Income from deposits and financial accounts	36 920.98	21 805.77
Income from equities and similar securities	769 365.01	580 787.84
Income from bonds and similar securities	12 359 962.42	18 074 943.72
Income from debt securities		
Income from repurchase agreements		
Income from financial derivatives		
Other financial income		
Total (1)	13 166 248.41	18 677 537.33
Payables on financial transactions		
Payables on repurchase agreements		
Payables on financial derivatives		
Payables on financial debts	96 953.41	208 717.60
Other financial payables		
Total (2)	96 953.41	208 717.60
Profit from financial transactions (1 - 2)	13 069 295.00	18 468 819.73
Other income (3)		
Management fees and depreciation provisions (4)	10 970 388.21	16 213 539.42
Net profit for the year (L. 214-17-1) (1 - 2 + 3 - 4)	2 098 906.79	2 255 280.31
Financial year revenue adjustments (5)	234 914.62	136 835.14
Interim dividends paid for the financial year (7)		
Profit (1 - 2 + 3 - 4 + 5 - 6)	2 333 821.41	2 392 115.45

Notes to the annual accounts – Accounting rules and methods

The annual accounts are presented in accordance with the ANC 2014-01 Regulation as modified.

General accounting principles apply:

- a true and fair view, comparability and operational continuity,
- lawfulness, accuracy,
- prudence,
- consistency of methods from one financial year to the next.

The accounting method used for recording fixed revenue securities income is based on interest received.

Entries and disposals of securities are accounted for exclusive of charges. The reference accounting currency for the portfolio is the Euro.

The UBAM CONVERTIBLES SICAV comprises 4 sub-funds:

- UBAM CONVERTIBLES EUROPE
- UBAM CONVERTIBLES EUROPE 10-40
- UBAM CONVERTIBLES GLOBAL
- UBAM CONVERTIBLES GLOBAL 10-40

The aggregation of annual accounts is presented in Euros.

As there is no inter-sub-fund holding, no adjustment has been made to assets and liabilities.

- Rules and accounting methods (*)
- Additional information (*)

(*) Please refer to information concerning each sub-fund.

Resolutions

COMBINED ANNUAL AND EXTRAORDINARY GENERAL MEETING OF 23 APRIL 2019 (or 13 May 2019, in the absence of a quorum)

ANNUAL GENERAL MEETING

FIRST RESOLUTION

The Annual General Meeting, after having heard the reading of:

- the SICAV's annual report for the financial year ended December 2018 and the accounts for that financial year;
- and the auditor's report for the annual accounts,

approves the accounts and the balance sheet for the financial year, as presented, as well as the transactions recorded therein and summarised in these reports.

SECOND RESOLUTION

The Annual General Meeting, after having heard the reading of the auditor's special report on the operations referred to in Article L.225-38 of the French Commercial Code, takes note of this report's conclusions and approves the terms.

THIRD RESOLUTION

The Annual General Meeting approves the distributable amounts and the allocation of the income for the **UBAM Convertible Europe sub-fund** as proposed by the Board of Directors:

AC (EUR) shares (FR0000941312):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AD (EUR) shares (FR0011408392):

- *Accumulation of the portion of distributable amount from the net realised gains.*
- *Distribution of the portion of distributable amount from the net profit.*
Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	4.17	-	4.17
2016	0.04	-	0.04
2017	-	-	-

AHD (GBP) shares (FR0010708743):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AHD (GBP) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	7.13	-	7.13
2016	0.16	-	0.16
2017	-	-	-

AHC (CHF) shares (FR0010928259):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHC (USD) shares (FR0011168822):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHD (USD) shares (FR0011168855):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AHD (USD) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	5.46	-	5.46
2016	0.05	-	0.05
2017	-	-	-

UC (EUR) shares (FR0011375419):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

UHC (GBP) shares (FR0011375450):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

UHD (GBP) shares (FR0011375476):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the UHD (GBP) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	14.82	-	14.82
2016	7.59	-	7.59
2017	0.25	-	0.25

FOURTH RESOLUTION

The Annual General Meeting approves the distributable amounts and the allocation of the income for the **UBAM Convertibles Europe 10-40 sub-fund** as proposed by the Board of Directors:

AC (EUR) shares (FR0010644674):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AD (EUR) shares (FR0011408384):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	13.45	-	13.45
2016	7.29	-	7.29
2017	-	-	-

AHD (GBP) shares (FR0010708735):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AHD (GBP) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	19.69	-	19.69
2016	10.00	-	10.00
2017	-	-	-

AHC (CHF) shares (FR0010928705):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHC (USD) shares (FR0011168715):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHD (USD) shares (FR0011168764):

– Accumulation of the portion of distributable amount from the net realised gains.

– Distribution of the portion of distributable amount from the net profit.

Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AHD (USD) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	18.35	-	18.35
2016	10.24	-	10.24
2017	-	-	-

UC (EUR) shares (FR0011375112):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

UD (EUR) shares (FR0011375120):

– Accumulation of the portion of distributable amount from the net realised gains.

– Distribution of the portion of distributable amount from the net profit.

Dividend per share relating to the net profit: EUR 1.21
(ineligible for the 40% allowance)

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

The dividends distributed in the previous three financial years for the UD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	16.08	-	16.08
2016	10.43	-	10.43
2017	3.08	-	3.08

ZC (EUR) shares (FR0011168723):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

FIFTH RESOLUTION

The Annual General Meeting approves the distributable amounts and the allocation of the income for the **UBAM Convertibles Global sub-fund** as proposed by the Board of Directors:

AC (EUR) shares (FR0011335363):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AD (EUR) shares (FR0011408418):

– *Accumulation of the portion of distributable amount from the net realised gains.*

– *Distribution of the portion of distributable amount from the net profit.*

Dividend per share relating to the net profit: EUR 0.63
(eligible for the 40% allowance)

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

The dividends distributed in the three previous financial years for the AD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	1.49	0.91	0.58
2016	1.81	1.18	0.63
2017	0.13	0.13	-

AHD (GBP) shares (FR0011355692):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: EUR 0.85
(eligible for the 40% allowance)

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

The dividends distributed in the three previous financial years for the AHD (GBP) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	2.37	1.48	0.89
2016	2.57	1.70	0.87
2017	0.12	0.12	-

AHC (CHF) shares (FR0011355718):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHC (USD) shares (FR0011355726):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHD (USD) shares (FR0011355650):

- Accumulation of the portion of distributable amount from the net realised gains.
 - Distribution of the portion of distributable amount from the net profit.
- Dividend per share relating to the net profit: EUR 0.83
(eligible for the 40% allowance)

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

The dividends distributed in the three previous financial years for the AHD (USD) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	2.17	1.34	0.83
2016	2.76	1.73	1.03
2017	0.18	0.18	-

UC (EUR) shares (FR0011375484):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

UD (EUR) shares (FR0011375492):

– Accumulation of the portion of distributable amount from the net realised gains.

– Distribution of the portion of distributable amount from the net profit.

Dividend per share relating to the net profit: EUR 3.80

The dividend breaks down as follows:

- Part eligible for the 40% allowance: EUR 1.23

- Part ineligible for the 40% allowance: EUR 2.57

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

The dividends distributed in the previous financial year for the UD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2016	7.06	1.11	5.95
2017	5.67	1.14	4.53

UHD (GBP) shares (FR0011375518):

– Accumulation of the portion of distributable amount from the net realised gains.

– Distribution of the portion of distributable amount from the net profit.

Dividend per share relating to the net profit: EUR 3.14

The dividend breaks down as follows:

- Part eligible for the 40% allowance: EUR 1.01

- Part ineligible for the 40% allowance: EUR 2.13

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

In accordance with the regulations, the Annual General Meeting takes note that no dividends were distributed in previous financial years for the UHD (GBP) shares.

ZC (EUR) shares (FR0011355668):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

SIXTH RESOLUTION

The Annual General Meeting approves the distributable amounts and the allocation of the income for the **UBAM Convertibles Global 10-40 sub-fund** as proposed by the Board of Directors:

AC (EUR) shares (FR0011914803):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AD (EUR) shares (FR0011914951):

– *Accumulation of the portion of distributable amount from the net realised gains.*

– *Distribution of the portion of distributable amount from the net profit.*

Dividend per share relating to the net profit: none

The dividends distributed in the three previous financial years for the AD (EUR) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2015	4.58	0.22	4.36
2016	1.60	0.34	1.26
2017	-	-	-

AHC (CHF) shares (FR0011914829):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHC (USD) shares (FR0011914837):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

AHD (USD) shares (FR0011914845):

– *Accumulation of the portion of distributable amount from the net realised gains.*

– *Distribution of the portion of distributable amount from the net profit.*

Dividend per share relating to the net profit: none

The dividends distributed in the previous financial years for the AHD (USD) shares were as follows (in Euros):

Financial year	Distributed dividend	Part eligible for the 40% allowance	Part ineligible for the 40% allowance
2016	0.89	0.25	0.64
2017	-	-	-

UHD (GBP) shares (FR0011914944):

– *Accumulation of the portion of distributable amount from the net realised gains.*

– *Distribution of the portion of distributable amount from the net profit.*

Dividend per share relating to the net profit: EUR 0.79
(eligible for the 40% allowance)

In the case of a difference between the number of shares entitled to a dividend compared to the number of shares registered as of 31 December 2018, the total amount of dividends will be adjusted accordingly and the amount allocated to retained earnings shall be determined on the basis of the dividends actually paid out.

The AGM sets the ex-dividend date for **25 April 2019** and the payment date for **30 April 2019**.

In accordance with the regulations, the Annual General Meeting takes note that no dividends were distributed in previous financial years for the UHD (GBP) shares.

ZC (EUR) shares (FR0011914852):

Full accumulation of the portion of distributable amount from the net profit and the portion of distributable amount from the net realised gains.

EXTRAORDINARY GENERAL MEETING

SEVENTH RESOLUTION

The General Meeting decides to amend the Articles of Association of the SICAV by drafting them according to the models presented in the last version of AMF Instruction n° 2011-19.

EIGHTH RESOLUTION

The General Meeting grants all powers to the bearer of a copy or an extract of the various documents submitted to this General Meeting and of the minutes of the Meeting to carry out all legal formalities.

Information concerning investments and management

- **LEGAL FORM**

UBAM CONVERTIBLES Sub-fund, SICAV (Mutual Fund) under French law.

- **ALLOCATION OF DISTRIBUTABLE INCOME**

Shares	Allocation of distributable income
AC (EUR)	Accumulation of distributable income
AD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (CHF)	Accumulation of distributable income
AHC (USD)	Accumulation of distributable income
AHD (USD)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (SEK)	Accumulation of distributable income
AHD (SEK)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UC (EUR)	Accumulation of distributable income
UD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (GBP)	Accumulation of distributable income
UHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains

- **MANAGEMENT OBJECTIVE**

The Sub-fund is a feeder of the Master Fund UBAM CONVERTIBLES EUROPE SRI.

Reminder of the objective of the Master Fund:

The objective of the Master Fund is to enable the investor to benefit from the specific risk/return ratio of European convertible bonds meeting environmental and socially responsible criteria.

Convertible bonds have an asymmetric risk/return profile (all other things being equal, for a given variation in the underlying securities, upside participation is greater than downside participation).

However, a convertible bond usually has a lower yield than a normal bond issued by the same issuer. However, a decline in the price of the underlying share will result in the value of the convertible bond decreasing to a lesser extent.

The Fund will therefore benefit more from increases in European equity markets than it will suffer from declines, all things being equal.

This special risk/return ratio may be altered by fluctuations in interest rates, credit spreads and implied volatility.

Besides this asymmetric behaviour of convertibles, the aim is also to benefit from a portfolio with an average SRI rating higher than its benchmark.

The performance of the Feeder Fund will be lower than that of the Master Fund due mainly to hedging of the currency risk and the fact that it has its own management fees.

- **BENCHMARK INDICATOR**

The Master Fund is not linked to any benchmark index or financial market index.

Management policy is based on a fundamental and discretionary management of asset allocation and the selection of convertible bonds or equivalent securities, which makes comparison with any specific benchmark index inappropriate.

However, for information purposes, the Fund's performance can be measured against the Thomson Reuters Convertibles Indices Europe Hedged (EUR) (Ticker UCBIFX20 Index), coupons and/or dividends reinvested.

The Thomson Reuters Convertibles Indices Europe Hedged (EUR) index is a European convertible bonds index. The performance of the Thomson Reuters Convertibles Indices Europe Hedged (EUR) index includes coupons and/or dividends generated by the convertible bonds that make up the indicator.

- **INVESTMENT STRATEGY**

1. Strategies used

The Sub-fund, which is a feeder Fund, is permanently invested up to 85% or more of its assets in Z units of the Master Fund, the strategy of which is detailed below, and it also holds ancillary liquid assets.

Reminder of the investment strategy of the Master Fund:

The Fund is managed according to a Responsible Investment (RI) policy in order to take advantage of any opportunities on the convertible bond markets in Europe.

The Fund aims to select convertible bonds or similar bonds meeting responsible investment criteria (environmental, social and governance) as set out in the management objectives and based on a fundamental and discretionary analysis.

The management company develops its own rating of the ESG criteria and relies mainly on data provided by MSCI ESG Research.

The management company's investment process has six stages:

1- The SRI filter on the investment universe:

The Fund's management approach is to select those companies most committed to sustainable development within each business sector.

The rating produced in-house which focuses on the governance aspect relies on analyses provided by the specialised agency MSCI ESG Research.

Companies with an internal SRI rating placing them in the third and fourth quartiles will be excluded from the investment universe.

An exclusion approach is also added in order to avoid investments in businesses in sectors such as coal, arms, nuclear energy, etc. The management company analyses these exclusions based on the MSCI ESG Research database.

From this defined investment universe, the management company will at different stages:

2- Filter the universe in terms of liquidity and issue size to eliminate less liquid securities. Liquidity changes according to market conditions.

3- Evaluate the credit quality of the issuer and estimate the implied volatility of the convertible, exchangeable or indexed bond, or bond redeemable in international equities, in order to position the relative cost of each convertible bond in its universe and in relation to the other available implied volatilities (options, etc.);

4- Analyse the underlying stock and its earnings prospects;

5- Consolidate individual data and portfolio construction;

6- In accordance with the managers' expectations, perform positioning and overall management of the exposures to equities, interest rates and credit.

The Fund's exposure to equity risk will depend on:

- on the one hand, the characteristics of convertible bonds, exchangeable bonds, redeemable bonds, etc., available on the market,

- on the other, expectations of the management company concerning market fluctuations.

Thus, the equity exposure of the portfolio may vary in significant proportions over time; the equity exposure measuring the change of the convertible bond compared with a 1% change in the underlying share. For example, when the underlying equity increases by 1% and the convertible by 0.45% then the equity sensitivity of the convertible will be 45% (0.45%/1%). The equity sensitivity of the sub-fund is mostly balanced by the sensitivity weighting of each line.

The Fund's sensitivity to interest-rate risk will depend on:

- on the one hand, the characteristics of convertible bonds, exchangeable bonds, redeemable bonds, etc., available on the market,

- on the other, our expectations concerning market fluctuations.

Thus, sensitivity may change significantly over time.

The Fund's sensitivity to credit risk will depend on:

- the characteristics of convertible bonds, exchangeable bonds, redeemable bonds, etc., available on the market. "Credit spreads", i.e. the difference between the yield at maturity from the security and the swap rate for an equivalent period, may change significantly over time.

- positions taken on the credit derivatives market.

The management company may take positions on French and foreign regulated futures markets in order to expose and/or hedge the portfolio to/against the investment zone indices or to the underlying securities in order to pursue the management objective and take advantage of market variations.

The Fund may be exposed up to 100% of its net assets to the equity markets (due to the nature of convertible bonds and the investment process) with an average exposure of between 10% and 60% of its net assets.

Exchange rate risk will be systematically hedged. The hedging may include indirect exchange risk (the case of a security denominated in a currency whose underlying risk is in another currency). The objective of the hedging is to have a residual direct exposure which is less than 10% of its net assets.

The overall sensitivity range of the Fund shall be between 0 and 6.

For categories of shares denominated in a currency other than the Euro, the Feeder Fund will intervene in the futures markets in order to hedge currency risk with respect to the base currency (the Euro).

Thus, all categories of shares of the Feeder Fund denominated in a currency other than the Euro, the currency risks of the share currency with respect to the reference currency of the Feeder Fund, will be subject to systematic hedging transactions; a residual exposure to currency risk may remain however. Given the technical difficulties in carrying out this hedging, units denominated in a currency other than the Euro may possibly be exposed to an associated exchange rate risk due to the changes in the value of liabilities (subscriptions/redemptions) or assets (change in the value of assets hedged). All the costs and risks ensuing from hedging transactions on the exchange rate risk shall be at the charge of the units denominated in a currency other than the Euro, respectively.

Nevertheless, the categories of shares denominated in a currency other than the Euro will remain exposed to any existing currency risk of the categories of shares denominated in Euro resulting from investments denominated in a currency other than the Euro and not hedged.

Reminder of the assets of the Master Fund:

2. Assets

The Fund will invest in rated or unrated assets, according to the analyses of the management company, where the underlying security and/or the issuer is a company having its registered office in a member country of the OECD or listed on a European market, with a predominant weighting in European countries. Thus, the Fund may be exposed to "High Yield" securities.

Convertible bonds:

The Fund invests at all times at least two thirds of its net assets in convertible bonds and/or equivalent securities:

- *exchangeable bonds and/or*
- *bonds redeemable in shares and/or*
- *bonds with subscription warrants and/or*
- *bonds indexed on shares and/or*
- *any other types of securities included in convertible indices such as securities which may be considered as shares under local law (mandatory convertibles, Preferred Convertibles, Mandatory Convertibles Preferred shares, Mandatory Convertibles Preferred stocks, Mandatory Exchangeable Bonds, Convertible Perpetual Preferred Stock etc).*

The Fund will not use contingent convertible bonds ("CoCos"), which are subordinated debt issued by credit institutions and insurance or reinsurance companies, which are eligible for their own regulatory capital and which are convertible into equity, the nominal of which can be reduced (a mechanism called "write down") where a "trigger event" occurs, as defined in the prospectus of the debt security concerned.

Debt securities and money market instruments and bonds:

*The Fund may also be exposed to negotiable debt securities, borrowings, **whatever their maturity or the issuer's rating** (private or public), up to a maximum of 33% of its net assets both as a performance driver and for cash management.*

Equities:

Apart from preferred shares, the Fund may invest up to 10% of its net assets in European equity market capitalisation of all sizes; these shares can only be the result of the conversion or exchange of a convertible bond or equivalent security. Their presence in the portfolio may not exceed one month.

Investment in units or shares in other UCITS, AIFs (Alternative Investment Fund) and/or foreign investment funds:

In order to achieve its management objective or to manage its cash flow, the Fund may invest up to 10% of its net assets in shares of French or European UCITS or AIFs of any classification, which respect the 4 criteria set out in article R.214-13 of the French Monetary and Financial Code.

These UCITS and AIFs may be managed by UBI or other management entities.

When the Fund invests in units of UCITS and/or AIFs managed directly or indirectly by UBI or by a company to which it is linked through common management or control, or through a direct or indirect shareholding of more than 10% of the capital or votes, no subscription or redemption fee may be charged to the Fund for investment in these UCITS or AIFs, with the exception of the commissions retained by the UCITS or AIFs.

For investments made by the Fund in a UCITS or AIF or eligible investment funds linked to UBI as described above, there will not be any duplication of the management fees invoiced by UBI and the UCITS or the AIF or any other eligible investment fund concerned. Accordingly, the manager shall invest in units/shares of Group UCITS, AIFs or other eligible investment funds without incurring financial management fees.

In default of this, the assets invested in Group UCITS and/or AIFs or other eligible investment funds shall be deducted from the base of management fees charged by the management company.

Securities' Markets and Stock Exchanges:

You are reminded that the Fund may invest in any eligible financial security or money market instrument traded on a regulated market or other regulated market situated in an EU state or a state which is party to the European Economic Area agreement, or officially listed on a stock market of a third country to the European Union or European Economic Area, or traded on another market of a third country according to the conditions laid down in Article R.214-11 of the Monetary and Financial Code.

Accordingly, the management company does not exclude any stock or securities market in Europe, the Middle East, Africa, Americas, Asia, Pacific. The securities in the portfolio may therefore be issued under any law, including securities issued under the regulations known as REG S or 144A, in respect of the investment strategy of the above fund.

3. Derivative instruments

The Feeder Sub-fund may invest in forward and derivative markets in order to hedge the portfolio against currency risk:

Markets invested in:

- French and foreign regulated futures markets,
- organised markets
- over-the-counter markets.

Risks to which the manager seeks exposure:

- foreign exchange.

Type of instruments used:

- currency swaps,
- currency futures contracts.

Usage strategy:

- hedging exchange rate risk.

The Feeder Fund will not use any Total Return Swaps (TRS).

Reminder of the assets of the Master Fund:

The Fund may take positions in forward financial instruments traded on regulated markets in France and abroad, and conduct over-the-counter transactions on financial instruments, including interest-rate or currency swaps, without seeking overexposure.

In this context, the manager may take positions in order to expose and/or hedge the portfolio to/against the indices of the investment zone or the underlying securities in order to pursue the management objective, take advantage of market variations and generally to manage the portfolio's exposure to the equity, bond and interest-rate markets (see investment process above).

These transactions will be limited to a maximum exposure of 100% of the assets.

Markets invested in:

- French and foreign regulated futures markets
- Organised markets
- Over-the-counter markets.

Risks to which the manager seeks exposure:

- Interest rates,
- Equities and equivalent securities,
- Market indices,
- Foreign exchange,
- Credit.

Instruments used for both exposure and hedging:

- Interest-rate swaps,
- Currency swaps,
- Forward foreign exchange contracts,
- Futures,
- Options,
- Credit Default Swaps.

The Fund will not use any Total Return Swaps (TRS).

4. Securities with embedded derivatives (up to 100% of net assets)

The Fund may use securities such as convertible bonds and similar securities with embedded derivatives of the type mentioned in paragraph "2. Assets", up to the limit of 100% of net assets.

The strategy for use of securities with embedded derivatives is the same as that described for the use of derivative instruments.

The Fund will not use contingent convertible bonds ("CoCos").

5. Cash deposits

The Fund may make cash deposits in order to optimize its cash flow management.

6. Cash borrowings

It is not the aim of the Fund to borrow cash but it may find itself in the position of debtor owing to transactions linked to its cash flow (ongoing investments and disinvestments, subscription/redemption operations, etc.) within a limit of 10% of the net assets.

7. Sale and repurchase agreements

It is not the aim of the Fund to use these types of transactions.

• FINANCIAL GUARANTEES

The Feeder Fund and the Master Fund follow the same rules with respect to financial guarantees.

Reminder of the rules of the Master Fund:

For transactions on derivative instruments, the Fund may receive or provide financial guarantees such as margin or guarantee deposit calls which are paid either in cash or financial securities.

• RISK PROFILE

The risk profile of the Feeder Fund is identical to the risk profile of the Master Fund.

Reminder of the risk profile of the Master Fund:

The assets of the Fund will be invested mainly in financial instruments selected by the management company. These instruments are subject to the fluctuations and risks of the market.

The prices of convertible bonds are subject to a number of influences:

- the general level of interest rates - **Interest-rate risk***
- the price of the underlying share - **Equity risk***
- the level of the issuer's credit risk - **Credit risk***
- the volatility of the conversion option - **Volatility risk***
- level of foreign currencies, be it that of the issuing currency or that of the underlying equity – **Exchange rate risk***

The level of these risks varies greatly over time.

Furthermore, the general level of the markets has a significant influence on all these parameters.

Interest-rate risk:

Due to its composition, the Fund may be subject to interest rate risk. This risk results from the fact that in general debt securities and bonds fall in price when interest rates rise. The investor in bonds or other fixed income securities may suffer negative performances following fluctuations in the level of interest rates.

Equity risk:

Your investment may be subject to a maximum 100% exposure to the equity market, because of the inherent nature of convertibles and our investment process. A fall in the equity markets can cause a fall in the net asset value of the Fund.

Credit risk:

Credit risk is the potential risk of decline in the credit rating of the issuer which will have a negative impact on the price of the security and therefore on the net asset value of the Fund. Credit risk also results when the issuer of a bond is not able to repay the loan and to make interest payments on the dates provided for in the contract.

Volatility risk:

Given an investment strategy consisting mainly of investments in convertible bonds, the net asset value of the Fund is liable to vary with changes in the value of the conversion option (i.e. the possibility of converting the bond into a share).

These risks mean that the performance of the Fund does not depend solely on market trends; it is therefore possible that the value of the assets may fall at a time when equity markets are rising.

Capital loss risk:

The Fund carries no guarantee or protection, and the capital initially invested may not be returned.

Risk associated with investment in high yield securities:

There is a credit risk which applies to securities labelled "Speculative" which present a higher probability of default than those of "Investment Grade". They offer higher levels of yield in compensation, but may, in the case of a downgrade in the rating, reduce significantly the net asset value of the Fund.

Risk associated with stock selection according to ESG criteria:

This selection may lead to non-selection of particular stocks and may be a source of deviation from the benchmark.

Liquidity risk:

This risk corresponds to the potential difficulty in selling assets due to a lack of sufficient volume in the market. It may occur due to a sharp rise in risk aversion or disruption in the markets. This risk may affect convertible bonds and equivalent securities which are mainly traded on over-the-counter markets.

Counterparty risk:

Counterparty risk represents the risk of failure of a counterparty (particularly a banking establishment) leading to a default in payment. Any such default in payment by a counterparty may lead to a fall in the net asset value.

Risk associated with the use of derivatives:

The Fund is exposed to the risk of derivative products, mainly due to the possibility of the Fund being hedged or exposed to various markets via futures. The use of derivative products may therefore increase or reduce the sensitivity of the Fund to either upwards or downwards market movements.

Exchange-rate risk:

Risk associated with assets or categories of units which may be denominated in currencies other than the currency of the Fund (Euro). The Fund or category of units concerned is subject to the fluctuation of exchange rates between the currency of the Fund and these other currencies. If the currency of a unit category or a security appreciates compared to the currency of the Fund, its value will increase. On the other hand, a depreciation of this same currency will lead to a loss in the value of the security or of the unit category concerned and will be reflected in the Net Asset Value.

- **SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE**

Subscribers concerned:

Shares	Subscribers concerned
AC (EUR)	All subscribers
AD (EUR)	All subscribers
AHD (GBP)	All subscribers
AHC (CHF)	All subscribers
AHC (USD)	All subscribers
AHD (USD)	All subscribers
AHC (SEK)	All subscribers
AHD (SEK)	All subscribers
UC (EUR)	Reserved to investors defined below
UD (EUR)	Reserved to investors defined below
UHC (GBP)	Reserved to investors defined below
UHD (GBP)	Reserved to investors defined below

The attention of subscribers is drawn to the information relating to non-authorised investors mentioned in the general characteristics.

Typical investor profile:

The sub-fund's shares are aimed at clients who wish to benefit from the positive or negative performance of European convertible bonds selected on the basis of ESG criteria.

Type A share class is available to all subscribers.

Type U share class is only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:

- portfolio management services; or
- independent investment advisory services;
- similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

It is the responsibility of each investor to correctly assess his personal situation and to invest in the appropriate share class or unit according to the definition of each share class or unit.

Type C share class is aimed at clients who wish to benefit from the accumulation of distributable income.

Type D share class is aimed at clients who wish to benefit from the distribution and/or carried forward and/or accumulation of distributable income.

Type H share class is aimed at clients who wish to benefit from the systematic hedging of the exchange rate risk between the currency of the share class and the benchmark currency of the sub-fund.

The amount it is reasonable to invest in this sub-fund depends on the personal situation of each individual investor. To determine a reasonable amount, personal wealth, current needs and the recommended three-year duration of the investment need to be taken into account; however, attention must also be paid to willingness to take risks, because of the inherent volatility of the equity markets, and the dynamic strategy of the sub-fund.

It is also recommended that investments be sufficiently diversified so as not to expose them solely to the risks of a single UC or sub-fund of a UCI.

Recommended investment horizon: 3 years.

Management Report

Global growth was strong in 2018 (3.8%), but there were disparities between the various regions and a general slowdown occurred towards the end of the year. The economic situation during the course of the year was marked by trade war fears between the US and its many partners, by specific tensions between Washington and Beijing and by regular interest rate increases from the Fed in parallel with the reduction of its balance sheet.

US growth in 2018 proved to be the most vigorous among the major developed economies (2.9%) thanks to tax reform and the recovery of confidence both in industry and among consumers. The unemployment rate continued to fall to reach a historic low of 3.7%, with resulting full-employment wage pressures. The new US trade policy led to an increase in import duties on steel, aluminium and numerous products imported from China. The trade agreement between the US, Canada and Mexico was renewed and negotiations were opened with Japan and the European Union particularly regarding automobiles. At the end of the year a three-month truce in their trade conflict was agreed between the US and China – a period used by the Chinese authorities to review their import duties on American products, the opening of their markets and their medium-term development strategy.

The other developed countries saw their prospects weaken during the course of the year, particularly in Europe where the growth rate had fallen below 2% by the end of the year. Fears of a trade war particularly affected the morale of European companies, while domestic consumption was not as solid as in the US and household confidence and consumption slowed despite the fall in unemployment. In addition, the political environment was difficult within the Eurozone as unstable coalitions took power in Italy, Spain and Germany, while France faced protests in response to government business reforms. The UK finally concluded a Brexit withdrawal agreement with the EU, but the Prime Minister failed to win support for it and the UK parliament failed to ratify the agreement, leading to renewed fears concerning the exit process. In Japan growth remained weak and was heavily impacted by major weather events in the third quarter. Consumption and wages recovered however, to set a more positive trajectory.

In China growth slowed as a result of the measures adopted in 2017 aimed at reducing the indebtedness of economic agents. With the threat of a trade war, monetary and budgetary stimulus measures were implemented, but have not yet taken effect except on investment, and domestic activity was still in a downturn at the end of the year. Growth in other emerging countries also slowed, due to increases in interest rates, falls in commodity prices and the currency crisis observed in the second quarter. Signs of improvement appeared in Brazil following elections and in Argentina loans from the IMF were extended to avert crisis. Finally, in Turkey, the situation remains unstable and the country entered recession in the second half.

Inflation was in line with the objectives of the main central banks, Japan excepted, where it remained well below 2%. In the US and Eurozone inflation rose above 2% during the course of the year, but moderated in the third quarter due to falls in commodity prices. Underlying price indices did not follow the rebound in global indices, but were stable or slightly higher. In emerging markets inflation showed a higher overall trajectory due to domestic demand and falls in local currencies.

Central banks continued to tighten monetary policy, leading to the reappearance of monetary constraints and even liquidity stresses. The Fed raised interest rates four times in 2018, moving from within a range of 1.25%-1.50% to 2.25%-2.50%, and the ECB ended its asset purchases after a reduction in volumes in October. The Bank of England raised its rates (from 0.5% to 0.75% in August) in order to contain inflation and wages. Even the Bank of Japan adjusted its bond purchases and made its objective on the 10 year more flexible. By contrast, the Bank of China loosened its policy through injections of liquidity and cuts to the levels of reserves held by commercial banks, having allowed its currency to slip during the summer. Most of the Asian central banks continued their interest rate increases in the wake of the Fed, in order to stabilise their currencies, restore the confidence of the markets and combat more sustained inflation. The Turkish and Argentinian central banks were forced to increase their rates drastically in order to stem monetary crises, while Brazil cut its interest rates twice.

Sovereign bonds among the rare assets to close in the black

Against a background of strong economic growth, increased inflationary pressures, and several rate increases expected from the Fed, both short and long US rates began the year on a clearly rising trend. It took until mid-September however for the 10 year to break through 3%, reaching a peak of 3.24% at the beginning of November. Signs of a slowdown in the world economy, and more dovish language from Jerome Powell saw the 10-year rate fall to 2.68%, a gain of 20 bps over the year. With the 2 year having risen from 1.89% at the beginning of the year to 2.49%, the rate curve flattened dramatically. In the Eurozone, the rise in the German 10-year at the beginning of the year was quickly halted by the fear, followed in May by the actuality, of an alliance between the 5 Star Movement and the Northern League in Italy. Against expectations, the 10-year Bund fell by 19 bps over the year, to finish at 0.24%. As a result, German sovereign debt (+2.4%) clearly outperformed its US counterpart (+0.8%). With the exception of Italian bonds (-1.4%), sovereign debt in the major developed economies finished in the black, including Switzerland (+0.9%) and the UK (+0.5%).

If the increase in risk aversion during the course of the third quarter was very favourable for government bonds at the end of the year, it was damaging for credit. The widening of spreads clearly penalised both the Investment Grade segment (-2.2% in USD and -1.1% in EUR) and the High Yield segment (-2.3% and -3.6% respectively). The losses were however higher for emerging market debtholders (-4.3% for bonds denominated in USD and -6.2% for those in local currencies converted into USD).

Currencies and Commodities: sharp rise in the dollar and high oil price volatility

After its unexpected fall in 2017, the dollar appreciated against all major currencies in 2018 with the exception of the Yen (-3% to 109.7), which played its role of safe haven at the end of the year. The greenback particularly benefited from the strength of US growth, political risks in Italy and the UK, as well as a sharp increase in risk aversion. The Euro thus gave up nearly 5% against the dollar, falling to nearly 1.12 in mid-November, before recovering to 1.15. These uncertainties in Europe logically supported the Swiss Franc, which rose around 4% against the Euro, to finish at 1.13. The absence of agreement on Brexit explains the volatility of Sterling, which in the end gave up nearly 6% against the dollar. Most emerging currencies depreciated against the greenback, including the Chinese Yuan (-5%), which tested the 7.0 level against the background of trade war, the slowdown in activity and the easing of central bank monetary policy. Some currencies were severely penalised by domestic political risk and by the correction in commodity prices, among them notably the Argentine Peso (-51%), the Turkish Lira (-28%), the Brazilian Real (-15%) and the Russian Ruble (-17%).

The Ruble very obviously suffered from the fall in the price of oil during the last quarter. A number of reasons explain the increase in concern arising from an excess supply on the market. While the rise in price up to October (with Brent breaching the USD 85 threshold) was maintained through the willingness of the US administration to quit the Iranian nuclear agreement, the announcement by Donald Trump of derogations to sanctions against Teheran in a context of high growth in production in the US and fears of a slowdown in demand maintained selling pressure. The price of a barrel of Brent finally closed at USD 54, a fall of 20% over the year. After heavy losses during the second and third quarters, mainly due to the strength of the dollar, the price of gold recovered at the end of the year, to finish at USD 1283 (-2%).

Equity markets: return of volatility in a difficult year

Despite the upward trend in global growth and a solid rise in company profits, particularly in the US, the MSCI World All Country (in local currencies net dividends reinvested) fell by 7.7% over the year (after a rise of 19.8% in 2017). There were negative performances in nearly all countries and sectors. Although the markets commenced the year on a very positive note, the acceleration of wage increases in January increased the Fed's resolve and triggered the first tremor. The forming of a new government in Italy in the spring brought back bad memories for investors. Wall St, driven by its large technology companies, reached new highs in September. The markets then collapsed during the month of October and again in December on the basis of fears of a slowdown in global growth combined with excessive tightening from the Fed. In the end the US market (-5% according to the MSCI index) once again outperformed that of the Eurozone (-12.7%), which had particularly suffered from its high exposure to the banking sector.

Thanks to its more defensive profile the Swiss market resisted a bit better (-8.0%), as did the British market (-8.8%). The Japanese market (-15.1%), notoriously cyclical, under-performed the other developed markets and posted losses in line with emerging markets in USD (-14.6%). Asian markets (-15.5% in USD) and in particular China (-18.9%), were heavily penalised by the US-China trade war. In Latin America, the Argentine market collapsed (-50.8%), while Brazil (-0.5%) benefited from the election of a new president. In Europe, the relatively healthy performance of the Russian market (-0.7%) contrasted with the severe fall in the Turkish market (-41.4%).

At a global level, only the utilities sectors (+3.5% in local currencies) and health (+2.9%) finished in the black. At the other end of the spectrum, the financial, industrial and materials sectors saw falls of around 13%. The technology sector (-5.3%) outperformed slightly despite a catastrophic end to the year.

Prospects 2019: management of risks rather than quest for performance

At the beginning of 2018 investors had every reason to be enthusiastic about the continuation of synchronised global growth, driven particularly by US fiscal stimulus. We remained cautious however, believing that investors should expect more modest performances going forward than those observed in 2017. At the beginning of 2019, it is important to note that even if the pressures on valuations have eased, on the equity markets in particular, other risks are looming on the horizon.

Global growth should slow in 2019 (3.6% expected), and desynchronization in pace will take place between the various regions. If fears of recession in the US do not seem justified, growth may begin to run out of steam (2.6% expected, after 2.9%), but it should still remain higher than that of other developed countries. Activity in China should rebound during the year with the effect of various stimulus measures and the prospect of a trade agreement with the United States. The Eurozone, the UK and Japan should see their growth stabilize at a lower level than that seen in 2017 and 2018.

Inflation should also settle around the objectives of the central banks, but wage pressures should continue and underlying prices may rise gradually in several countries. In addition, the main central banks will likely continue their monetary tightening. The hardening of central bank policies should accelerate with the end of quantitative easing from the ECB and a Fed inclined to continue its interest rate rises during the year. However, the latter may see a pause due to a hardening in financial conditions, their impact on the US business cycle and stress in the financial markets.

In this context, equity investors should count on performances in single figures in 2019, driven mainly by a moderate growth in profits. From a strategic point of view, this volatility offers investors the opportunity to extend their investment horizon, leaning more heavily on secular trends, in order to add value in 2019.

Convertible bonds in 2019

The recurring term in our commentaries throughout 2018 was the following: volatility. For convertible bonds, 2018 was envisaged as a favourable year thanks to a rising interest rate background (making our asset class attractive compared to traditional bonds) and equity performances which buoyed the universe. These equity performances were envisaged thanks to a generally favourable macroeconomic context offering a synchronization in growth dynamics worldwide. In Europe this optimism did not last longer than three short weeks, with the year's high point in the markets being reached on 23 January. Subsequently, fears over US interest rates, the political situation in Italy, Brexit, trade tensions between the US and China and the end of year protests in France succeeded each other. While central banks worldwide gradually tightened their monetary policies, albeit to varying degrees, the impacts on risk markets were significant. Liquidity levels, less extreme, were less protective. In the end the rebounds seen in April/May, and again in June and September, were only opportunities to reduce risks before new lows. The most marked of these was obviously that of the final quarter where European equity markets gave up around 12%.

The convertible bond market saw several upward movements in 2018. After a beginning to the year during which valuations increased, the month of May was significant to the extent that a violent retrenchment both in size and rapidity, took place. One of the explanations was the issue of the Sika convertible for CHF1.65bn, a size not seen in the market for 3 years. This remains for us the emblematic European issue of the year, due to its size and attractiveness. Valuations subsequently rebounded again after the summer and held up well in the agitated markets of the last quarter. Regarding credit spreads, 2018 marked a reversal of recent trends. The spread observed had a negative impact on our asset class: the level of crossover during the year went from 233bps to 352bps.

We took advantage of the end of the year by making a remarkable observation on the European convertible bond universe. The significant fall in the equity markets combined with a feeble primary market (the lowest volume of issues in Europe since 2011 and therefore little renewal of the universe with convex profiles) leading to a scarcity of convexity in the universe. In fact, less than 40% of the universe today offers an equity sensitivity of between 20% and 80%. This means that more than 60% of the universe has a nearly bond-like or nearly equity-like profile. Unsurprisingly, the bond element largely dominates (58%). At the beginning of 2019 our main objective is to concentrate our efforts on the convex part of the universe in order to continue to offer a convex profile across our investments.

Overall, the performance of the UBAM Convertibles Europe fund was -9.52% from the 29 December 2017, against -5.87% for its benchmark index.

Past performances are no guarantee of future performance.

Main movements in the portfolio during the financial year

Securities	Movements ("Accounting currency")	
	Purchases	Sales
UBAM CONVERTIBLES EUROPE SRI ZC EUR	2 703 817.44	24 582 313.27

Transparency of securities financing transactions and the reuse of financial instruments – SFTR Regulation (EU) – in the fund's accounting currency (EUR)

The Fund did not carry out any securities financing transactions during the financial year ended December 2018.

Regulatory information

• VOTING RIGHTS

In accordance with the applicable regulations and UBP's internal directives, UBI has implemented a voting policy suited to its activities. This policy stipulates the circumstances in which we intend to exercise the voting rights that come with ownership of shares in the UCITS we manage. This policy is available upon request from the management company.

UBP ASSET MANAGEMENT (France)
UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS
116 avenue des Champs Elysées 75008 PARIS.
e-mail: ubpamfrance@ubp.com

• PROCEDURE FOR SELECTING INTERMEDIARIES

In accordance with the AMF General Regulations, the management company has set up a "best selection/best execution" policy for selecting intermediaries and counterparties, which is available to investors on the website of the management company www.ubpamfrance.com. The objective of this policy is to select traders and intermediaries based on predefined criteria and whose execution policy will ensure the best execution of orders.

On the same website, you will find the report relating to intermediation fees.

• ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA (ESG)

Information relating to the environmental, social and governance criteria (ESG) is available on the asset management company's website www.ubpamfrance.com.

• REMUNERATION POLICY

Quantitative and qualitative elements relating to remuneration

The company is approved by the Autorité des Marchés Financiers as a Fund manager and Alternative Investment Fund manager. It also manages mandates on an ancillary basis.

Remuneration paid by the company to its staff is composed of fixed remuneration and may, if financial conditions permit, include a variable component in the form of a discretionary bonus based on criteria adapted to each person.

The remuneration policy promotes sound and efficient management of risks and does not encourage excessive risk-taking in contravention of the risk-profile, the regulations or the fund instruments managed.

The objective of the remuneration policy is to encourage the alignment of risks taken by staff with those of the funds, the investors in the funds and those of the management company itself.

The company takes account when fixing variable remuneration of the combination of evaluation of individual performance, the general financial situation of the company and the results of the Group to which it belongs (UBP Group). The evaluation of individual performance is based on quantitative criteria (financial) and qualitative (non-financial).

The remuneration policy provides for a structured system of remuneration oriented on a long-term vision. It incorporates the remuneration policy into risk management of the company and that of UBP Group and encourages the staff concerned to promote sustainable success and the stability of the company and the UBP Group.

The company remuneration policy was reviewed in June 2018 in order to bring it into compliance with the provisions resulting from the UCITS Directive. It is available on the company website. It is subject to an annual audit. In 2018 no significant observations were formulated.

No staff member is allocated to a particular fund, group of funds or mandate(s). The quantitative data below are expressed pro-rata of the funds concerned within the total of assets under management of the company with all forms of management combined (UCITS, AIFs and mandates) as noted at the close of the financial year ended at 31 December 2018.

Table relating to the quantitative elements:

UBAM CONVERTIBLES EUROPE

<i>Year of attribution</i>	Number of beneficiaries	2018 in KEUR
<u>Total Staff (Management Company)</u>		
Gross fixed salaries	29	62
Variable		35
General total		97
<u>Staff with bearing on the risk profile</u>	20	
Gross fixed salaries		52
Variable remuneration		31
General total		84

- **CALCULATION METHOD OF THE GLOBAL RISK**

The method of calculating the overall risk ratio is the Value at Risk (VaR) method.

The general level of leverage, calculated as the total sum of the notional values of the derivatives used, will be 250%. It is possible for the Fund to have a higher level of leverage.

The VaR is calculated with a confidence interval of 99% and a horizon of 20 days.

Fund	Calculation method	VaR			Monitoring period of the VaR	Parameter models used	Influence
		Average	Min.	Max.			Average level
UBAM CONVERTIBLES EUROPE	Absolute VaR	9.1%	7.6%	11.0%	From 2 January to 31 December 2018	Factor push / 99% confidence interval, 20 days holding period, 9-year historical period	122.7%

Annual Accounts

Balance sheet - Assets (in EUR)

	31/12/2018	29/12/2017
FINANCIAL INSTRUMENTS	54 460 632.84	81 975 287.59
Undertakings for collective investment		81 975 287.59
Professional retail and other equivalent Funds from other EU member states and listed securitization vehicles		81 975 287.59
Derivative instruments		
Transactions on a regulated or similar market		
Other transactions		
RECEIVABLES	2 979 657.67	7 423 074.18
Currency forward exchange contracts	2 804 246.77	7 226 420.81
Other	175 410.90	196 653.37
FINANCIAL ACCOUNTS	180 958.43	531 789.83
Cash	180 958.43	531 789.83
TOTAL ASSETS	57 621 248.94	89 930 151.60

Annual Accounts

Balance sheet - Liabilities (in EUR)

	31/12/2018	29/12/2017
EQUITY CAPITAL		
Capital	55 529 807.33	78 044 295.40
Accumulated undistributed net realised gain (a)		
Retained earnings (a)	6.58	91.58
Net realised gain (loss) for the year (a, b)	-538 024.32	4 749 703.70
Profit or loss (a, b)	-375 451.09	-374 293.80
TOTAL EQUITY CAPITAL *	54 616 338.50	82 419 796.88
amount representing net assets		
FINANCIAL INSTRUMENTS		
Derivative instruments		
Transactions on a regulated or similar market		
Other transactions		
PAYABLES	3 004 910.43	7 510 354.71
Currency forward exchange contracts	2 802 315.40	7 294 800.25
Other	202 595.03	215 554.46
FINANCIAL ACCOUNTS	0.01	0.01
Current bank account overdrafts	0.01	0.01
Loans		
TOTAL LIABILITIES	57 621 248.94	89 930 151.60

(a) Including adjusted accounts

(b) Reduced by interim dividends paid for the financial year

Annual Accounts

Off-Balance Sheet (in EUR)

	31/12/2018	29/12/2017
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
OTC commitments		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
OTC commitments		
Other commitments		

Annual Accounts

Profit and Loss Statement (in EUR)

	31/12/2018	29/12/2017
Income from financial transactions		
Income from deposits and financial accounts	14.45	3 284.20
Income from equities and similar securities		
Income from bonds and similar securities	99 743.98	1 137 864.58
Income from debt securities		
Income from repurchase agreements		
Income from derivatives		
Other financial income		
TOTAL (1)	99 758.43	1 141 148.78
Payables on financial transactions		
Payables on repurchase agreements		
Payables on derivatives		
Payables on financial debts	2 246.79	31 657.46
Other financial payables		
TOTAL (2)	2 246.79	31 657.46
PROFIT FROM FINANCIAL TRANSACTIONS (1 - 2)	97 511.64	1 109 491.32
Other income (3)		
Management fees and depreciation provisions (4)	516 172.29	1 933 493.79
NET PROFIT FOR THE YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	-418 660.65	-824 002.47
Financial year revenue adjustments (5)	43 209.56	449 708.67
Interim dividends paid for the financial year (6)		
PROFIT (1 - 2 + 3 - 4 + 5 - 6)	-375 451.09	-374 293.80

Notes to the annual accounts – Accounting rules and methods

The annual accounts are presented in accordance with the ANC 2014-01 Regulation as modified.

General accounting principles apply:

- a true and fair view, comparability and operational continuity,
- lawfulness, accuracy,
- prudence,
- consistency of methods from one financial year to the next.

The accounting method used for recording fixed revenue securities income is based on interest received.

Entries and disposals of securities are accounted for exclusive of charges.

The reference accounting currency for the portfolio is the Euro.

The financial year period is 12 months.

Asset valuation rules

Financial instruments are accounted for according to the historical cost method and recorded on the balance sheet at their current value, which is determined by the latest known market value or, if there is no market, by any external means, or by recourse to financial models.

Differences between the current values used in calculating the net asset value and historical costs of transferable securities when they enter the portfolio are recorded in "valuation differences" accounts.

Securities that are not in the portfolio currency are valued in accordance with the principle stated below, then converted into the portfolio currency based on the exchange rate on the day of valuation.

UCIs held:

UCI units or shares are valued at the last known net asset value.

Derivative instruments:

Futures traded on a regulated or similar market:

Futures traded on regulated markets are valued at the daily settlement price.

Derivative instruments not traded on a regulated or similar market:

Swaps:

Interest rate and/or currency rate swap contracts are valued at their market value according to the price calculated by updating of future interest flows to market interest and/or currency rates. This price is adjusted to the issuer's risk.

Index swaps are valued actuarially on the basis of a benchmark rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated by the asset management company.

Off-balance sheet commitments:

Futures contracts are recorded at their market value as off-balance-sheet commitments at the price used in the portfolio.

Options are converted using the underlying equivalent value.

Commitments on swap contracts are presented at their nominal value or, in the absence of a nominal value, at an equivalent amount.

Management fees

Management fees are calculated on the net assets on each valuation.

These charges are allocated to the profit or loss account of the Fund.

Management fees are paid in full to the management company, which takes responsibility for all the operational expenses of the Fund.

Management fees do not include transaction fees.

The maximum rate applied based on the net assets is:

A shares: 0.80% inclusive of tax

U shares: 0.50% inclusive of tax

Allocation of distributable amounts

Definition of distributable amounts:

Distributable amounts are constituted by:

The income:

The net income of the year is equal to the interest, arrears, premiums and lots, dividends, attendance fees, and all other income relating to the securities in the portfolio, plus the sums temporarily available and less the total of management fees and borrowing costs.

It is increased by the balance brought down and increased or decreased by the balance of prepayments and accrued income for the year.

Realised gains (losses):

The realised gains, net of fees, less realised losses, net of fees, for the financial year, increased by net realised gains not distributed or accumulated from previous financial years and decreased or increased by the balance of the adjusted realised gains account.

Allocation of distributable amounts:

Distributable amounts	AC, AHC, ZC, UHC, UC shares	AHD, UHD, AD, UD, ZD, SC shares
Allocation of net income	Accumulation	Distribution and/or carried forward and/or accumulation
Allocation of net realized gains (losses)	Accumulation	Distribution and/or carried forward and/or accumulation

Annual accounts

Changes in net assets (in EUR)

	31/12/2018	29/12/2017
NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR	82 419 796.88	335 760 821.67
Subscriptions (including subscription fees paid to the Fund)	2 824 356.92	16 407 408.81
Redemptions (less redemption fees paid to the Fund)	-24 671 874.63	-269 158 845.07
Gains realized on deposits and financial instruments	1 468.63	20 121 204.04
Losses realized on deposits and financial instruments	-670 641.18	-7 435 395.23
Gains realized on forward financial instruments	697 475.93	18 069 739.46
Losses realized on forward financial instruments	-662 554.20	-16 126 577.12
Transaction fees	-7 278.07	-623 798.82
Foreign exchange differences	71 318.20	-5 924 816.09
Variations in the valuation difference of deposits and financial instruments	-4 966 986.37	-9 047 854.72
<i>Valuation difference for financial year N</i>	<i>-5 874 709.21</i>	<i>-907 722.84</i>
<i>Valuation difference for financial year N-1</i>	<i>907 722.84</i>	<i>-8 140 131.88</i>
Variations in the valuation difference of forward financial instruments		1 207 634.44
<i>Valuation difference for financial year N</i>		
<i>Valuation difference for financial year N-1</i>		1 207 634.44
Prior year distribution of net realized gains (losses)		
Prior year income distribution	-82.96	-5 722.02
Net earnings for the financial year before adjustments	-418 660.65	-824 002.47
Interim dividends paid during the year from net realized gains (losses)		
Interim dividends paid during the year from net income		
Other items		
NET ASSETS AT THE END OF THE FINANCIAL YEAR	54 616 338.50	82 419 796.88

BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE

	Amount	%
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS		
OTHER TRANSACTIONS		
TOTAL OTHER TRANSACTIONS		

BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY TYPE OF RATE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Off-balance sheet								
Hedging transactions								
Other transactions								

BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY

	< 3 months	%	3 months - 1 year	%	1 - 3 years	%	3 - 5 years	%	> 5 years	%
Off-balance sheet										
Hedging transactions										
Other transactions										

Interest rate futures are presented according to the maturity date of the underlying item.

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING CURRENCY OR VALUATION CURRENCY (non-Euro)

	Currency 1 CHF	%	Currency 2 GBP	%	Currency 3 USD	%	Currency N OTHER (S)	%
Assets								
Master fund								
Receivables	1 624 331.41	2.97	614 799.28	1.13	411 618.93	0.75		
Financial accounts	1 770.49		282.33		2 195.48		39.32	
Liabilities								
Payables	33 868.22	0.06	71 224.65	0.13	48 790.93	0.09		
Financial accounts								
Off-balance sheet								
Hedging transactions								
Other transactions								

RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	31/12/2018
Receivables	Forward currency purchases	2 650 749.62
	Receivables on forward currency purchases	153 497.15
	Sales with deferred settlement terms	175 410.90
Total receivables		2 979 657.67
Payables	Forward currency sales	- 153 883.80
	Payables on forward currency purchases	- 2 648 431.60
	Redemptions to pay	- 165 770.12
	Management fees	- 36 824.91
Total payables		- 3 004 910.43
Total payables and receivables		- 25 252.76

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
A-C (EUR) shares		
Shares subscribed during the financial year	393.250	642 440.92
Shares redeemed during the financial year	-4 859.467	-7 925 802.71
Balance of shares at the end of the financial year	32 247.359	
A-D (EUR) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-10 605.000	-11 526 120.10
Balance of shares at the end of the financial year	548.000	
AH-D (GBP) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-257.116	-386 900.25
Balance of shares at the end of the financial year	108.606	
AH-C (CHF) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-1 254.161	-1 609 362.23
Balance of shares at the end of the financial year	1 297.699	

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
AH-C (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-1 467.000	-2 177 685.54
Balance of shares at the end of the financial year	218.338	
AH-D (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-60.000	-84 626.40
Balance of shares at the end of the financial year	30.000	
U-C (EUR) shares		
Shares subscribed during the financial year	2 200.000	2 181 916.00
Shares redeemed during the financial year	-842.407	-790 511.10
Balance of shares at the end of the financial year	3 062.000	
UH-C (GBP) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-36.000	-49 427.28
Balance of shares at the end of the financial year	98.000	
UH-D (GBP) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-99.467	-121 439.02
Balance of shares at the end of the financial year	232.386	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
A-C (EUR) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
<p>A-D (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-D (GBP) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (CHF) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-D (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>U-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>UH-C (GBP) shares Redemption fees retained Subscription fees retained Total fees retained</p>	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
UH-D (GBP) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	

MANAGEMENT FEES

	31/12/2018
A-C (EUR) shares	
Guarantee commissions	
Fixed management fees	444 186.21
Percentage of fixed management fees	0.80
Variable management fees	
Retroceded management fees	
A-D (EUR) shares	
Guarantee commissions	
Fixed management fees	19 540.73
Percentage of fixed management fees	0.80
Variable management fees	
Retroceded management fees	
AH-D (GBP) shares	
Guarantee commissions	
Fixed management fees	3 936.39
Percentage of fixed management fees	0.80
Variable management fees	
Retroceded management fees	
AH-C (CHF) shares	
Guarantee commissions	
Fixed management fees	20 143.16
Percentage of fixed management fees	0.80
Variable management fees	
Retroceded management fees	

MANAGEMENT FEES

	31/12/2018
AH-C (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	8 458.17 0.80
AH-D (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	793.29 0.80
U-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	16 521.97 0.50
UH-C (GBP) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	661.89 0.50
UH-D (GBP) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	1 930.48 0.50

COMMITMENTS RECEIVED AND GIVEN

	31/12/2018
Guarantees received by the fund - capital guarantees	
Other commitment received	
Other commitment given	

OTHER INFORMATION

Current value of securities subject to temporary acquisition

	31/12/2018
Securities provided under a repurchase agreement	
Borrowed securities	

Current value of securities making up guarantee deposits

	31/12/2018
Financial instruments given as guarantee and maintained in the original item	
Financial instruments received as guarantee and not posted to the balance sheet	

Financial instruments held, issued and/or managed by the Group

	Code Isin	Description	31/12/2018
Equities			
Bonds			
Negotiable debt securities			
UCI			54 460 632.84
	FR0012383685	UBAM CONVERTIBLES EUROPE SRI ZC	54 460 632.84
Derivative instruments			
Total Group securities			54 460 632.84

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
Amounts still to be allocated		
Retained earnings	6.58	91.58
Income	-375 451.09	-374 293.80
Total	-375 444.51	-374 202.22

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-344 871.49	-286 778.80
Total	-344 871.49	-286 778.80

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-3 832.90	-54 261.10
Total	-3 832.90	-54 261.10

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-1 112.05	-2 752.83
Total	-1 112.05	-2 752.83

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-11 003.85	-16 977.00
Total	-11 003.85	-16 977.00

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-2 199.49	-13 288.14
Total	-2 199.49	-13 288.14

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-275.79	-633.88
Total	-275.79	-633.88

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-10 641.98	368.20
Total	-10 641.98	368.20

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
UH-C (GBP) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-460.90	36.33
Total	-460.90	36.33

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution		82.96
Retained earnings for the financial year		2.04
Accumulation	-1 046.06	
Total	-1 046.06	85.00
Information relating to shares giving rights to distribution		
Number of shares	232.386	331.853
Unit distribution		0.25
Tax credits		
Tax credits attached to the distribution of income		

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
Amounts still to be allocated		
Accumulated undistributed net realized gain (loss)		
Net realized gain (loss) for the financial year	-538 024.32	4 749 703.70
Interim dividends paid during the financial year from net realized gains (losses)		
Total	-538 024.32	4 749 703.70

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-545 432.21	3 961 146.72
Total	-545 432.21	3 961 146.72

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-6 068.93	787 747.32
Total	-6 068.93	787 747.32

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-2 978.28	9 410.46
Total	-2 978.28	9 410.46

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	31 555.20	-88 150.93
Total	31 555.20	-88 150.93

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	20 806.62	-38 062.64
Total	20 806.62	-38 062.64

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	2 628.67	-1 858.40
Total	2 628.67	-1 858.40

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-31 005.00	109 711.79
Total	-31 005.00	109 711.79

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
UH-C (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-2 321.06	2 918.20
Total	-2 321.06	2 918.20

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-5 209.33	6 841.18
Total	-5 209.33	6 841.18

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	760 730 199.86	890 571 341.77	335 760 821.67	82 419 796.88	54 616 338.50
UBAM CONVERTIBLES EUROPE AC (EUR)					
Net assets in EUR	662 498 550.71	782 390 365.92	227 188 334.08	61 288 140.15	48 788 125.23
Number of securities	392 113.554	448 274.719	135 046.629	36 713.576	32 247.359
Unit net asset value in EUR	1 689.55	1 745.33	1 682.29	1 669.35	1 512.93
Unit capitalisation of net realised gain (loss) in EUR	11.79	74.59	-21.33	107.89	-16.91
Unit capitalisation in EUR from income	16.77	6.32	0.05	-7.81	-10.69
UBAM CONVERTIBLES EUROPE AD (EUR)					
Net assets in EUR	31 274 333.75	48 032 474.98	15 375 438.58	12 190 601.67	542 855.72
Number of securities	27 915.000	41 880.000	13 961.000	11 153.000	548.000
Unit net asset value in EUR	1 120.34	1 146.90	1 101.31	1 093.03	990.61
Unit capitalisation of net realised gain (loss) in EUR	7.89	49.08	-13.91	70.63	-11.07
Unit capitalisation in EUR from income				-4.86	-6.99
Unit distribution in EUR from income	11.16	4.17	0.04		
Unit retained earnings in EUR from income					
UBAM CONVERTIBLES EUROPE AHD (GBP)					
Net assets in GBP	1 726 500.21	1 693 252.04	652 436.00	514 953.20	139 675.00
Number of securities	1 214.570	1 161.007	463.520	365.722	108.606
Unit net asset value in GBP	1 421.49	1 458.43	1 407.56	1 408.04	1 286.07
Unit capitalisation of net realised gain (loss) in EUR	102.52	265.76	-290.21	25.73	-27.42
Unit capitalisation in EUR from income				-7.52	-10.23
Unit distribution in EUR from income	17.55	7.13	0.16		
Unit retained earnings in EUR from income					
Unit tax credits in EUR					

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	760 730 199.86	890 571 341.77	335 760 821.67	82 419 796.88	54 616 338.50
UBAM CONVERTIBLES EUROPE AHC (CHF)					
Net assets in CHF	22 235 527.89	10 105 967.74	6 207 323.20	3 929 990.19	1 799 317.92
Number of securities	13 975.874	6 204.651	3 973.734	2 551.860	1 297.699
Unit net asset value in CHF	1 590.99	1 628.77	1 562.08	1 540.04	1 386.54
Unit capitalisation of net realised gain (loss) in EUR	30.04	202.27	-23.78	-34.54	24.31
Unit capitalisation in EUR from income	13.00	5.35	0.03	-6.65	-8.47
UBAM CONVERTIBLES EUROPE AHC (USD)					
Net assets in USD	32 275 660.43	20 397 382.74	7 478 254.17	3 083 230.50	371 338.28
Number of securities	17 968.264	11 008.881	4 130.813	1 685.338	218.338
Unit net asset value in USD	1 796.25	1 852.81	1 810.35	1 829.44	1 700.74
Unit capitalisation of net realised gain (loss) in EUR	152.24	258.63	20.94	-22.58	95.29
Unit capitalisation in EUR from income	13.44	5.91	0.05	-7.88	-10.07
UBAM CONVERTIBLES EUROPE AHD (USD)					
Net assets in USD	649 776.32	554 247.15	148 977.25	150 559.91	46 656.86
Number of securities	391.236	325.929	90.000	90.000	30.000
Unit net asset value in USD	1 660.82	1 700.51	1 655.30	1 672.88	1 555.22
Unit capitalisation of net realised gain (loss) in EUR	140.86	239.26	19.11	-20.64	87.62
Unit capitalisation in EUR from income				-7.04	-9.19
Unit distribution in EUR from income	12.48	5.46	0.05		
Unit retained earnings in EUR from income					
Unit tax credits in EUR					

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	760 730 199.86	890 571 341.77	335 760 821.67	82 419 796.88	54 616 338.50
UBAM CONVERTIBLES EUROPE UC (EUR)					
Net assets in EUR	106 774.02	222 712.49	61 272 633.85	1 700 669.66	2 777 359.68
Number of securities	107.407	215.692	61 229.692	1 704.407	3 062.000
Unit net asset value in EUR	994.10	1 032.54	1 000.70	997.80	907.04
Unit capitalisation of net realised gain (loss) in EUR	-1.14	44.08	-12.75	64.36	-10.12
Unit capitalisation in EUR from income	10.60	9.45	5.38	0.21	-3.47
UBAM CONVERTIBLES EUROPE UHC (GBP)					
Net assets in GBP	685 881.29	1 051 134.22	684 059.27	159 149.92	106 631.63
Number of securities	588.156	866.775	579.003	134.000	98.000
Unit net asset value in GBP	1 166.15	1 212.69	1 181.44	1 187.68	1 088.07
Unit capitalisation of net realised gain (loss) in EUR	83.59	218.82	-242.33	21.77	-23.68
Unit capitalisation in EUR from income	22.12	15.14	7.83	0.27	-4.70
UBAM CONVERTIBLES EUROPE UHD (GBP)					
Net assets in GBP	2 006 785.22	1 830 866.33	831 870.70	377 792.57	242 321.03
Number of securities	1 745.634	1 550.565	730.522	331.853	232.386
Unit net asset value in GBP	1 149.60	1 180.77	1 138.73	1 138.43	1 042.75
Unit capitalisation of net realised gain (loss) in EUR	82.67	215.02	-234.67	20.61	-22.41
Unit capitalisation in EUR from income					-4.50
Unit distribution in EUR from income	21.91	14.82	7.59	0.25	
Unit retained earnings in EUR from income					
Unit tax credits in EUR					

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	760 730 199.86	890 571 341.77	335 760 821.67	82 419 796.88	54 616 338.50
UBAM CONVERTIBLES EUROPE ZC (EUR)					
Net assets in EUR	15 565 107.26	25 120 267.82	16 375 865.23		
Number of securities	11 684.000	18 055.000	12 079.000		
Unit net asset value in EUR	1 332.17	1 391.31	1 355.73		
Unit capitalisation of net realised gain (loss) in EUR	9.20	59.32	-17.37		
Unit capitalisation in EUR from income	27.58	20.44	14.54		

Detailed inventory of financial instruments (in EUR)

Name of security	Curren	Qty Nbr or nominal	Current value	% Net Assets
Undertakings for collective investment				
Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles				
FRANCE				
UBAM CONVERTIBLES EUROPE SRI ZC EUR	EUR	58 642.4241	54 460 632.84	99.71
TOTAL FRANCE			54 460 632.84	99.71
TOTAL Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles			54 460 632.84	99.71
TOTAL Undertakings for collective investment			54 460 632.84	99.71
Receivables			2 979 657.67	5.46
Payables			-3 004 910.43	-5.50
Financial accounts			180 958.42	0.33
Net assets			54 616 338.50	100.00
UBAM CONVERTIBLES EUROPE AC (EUR)	EUR		32 247.359	1 512.93
UBAM CONVERTIBLES EUROPE AD (EUR)	EUR		548.000	990.61
UBAM CONVERTIBLES EUROPE AHD (GBP)	GBP		108.606	1 286.07
UBAM CONVERTIBLES EUROPE AHC (CHF)	CHF		1 297.699	1 386.54
UBAM CONVERTIBLES EUROPE AHC (USD)	USD		218.338	1 700.74
UBAM CONVERTIBLES EUROPE AHD (USD)	USD		30.000	1 555.22
UBAM CONVERTIBLES EUROPE UC (EUR)	EUR		3 062.000	907.04
UBAM CONVERTIBLES EUROPE UHC (GBP)	GBP		98.000	1 088.07
UBAM CONVERTIBLES EUROPE UHD (GBP)	GBP		232.386	1 042.75

Information concerning investments and management

- LEGAL FORM**

UBAM CONVERTIBLES Sub-fund, SICAV under French law.

ALLOCATION OF DISTRIBUTABLE INCOME

Shares	Allocation of distributable income
AC (EUR)	Accumulation of distributable income
AD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (CHF)	Accumulation of distributable income
AHC (USD)	Accumulation of distributable income
AHD (USD)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (SEK)	Accumulation of distributable income
AHD (SEK)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UC (EUR)	Accumulation of distributable income
UD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (GBP)	Accumulation of distributable income
UHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
ZC (EUR)	Accumulation of distributable income
ZD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
SC (EUR)	Accumulation of distributable income

- MANAGEMENT OBJECTIVE**

The management objective is to enable the investor to benefit from the specific risk/return ratio of European convertible bonds. Convertible bonds have an asymmetric risk/return profile (all other things being equal, for a given variation in the underlying securities, upside participation is greater than downside participation). However, a convertible bond usually has a lower yield than a normal bond issued by the same issuer.

This specific risk/return ratio may be altered by the fluctuations in interest rates, credit spreads and implied volatility.

• BENCHMARK INDICATOR

The sub-fund is not linked to any benchmark index or financial market index.

Management policy is based on a fundamental and discretionary management of asset allocation and the selection of convertible bonds or equivalent securities, which makes comparison with any specific benchmark index inappropriate.

However, for information purposes, the sub-fund's performance can be measured against the Thomson Reuters Convertibles Indices Europe Hedged (EUR) (Ticker UCBIFX20 Index), coupons and/or dividends reinvested.

The Thomson Reuters Convertibles Indices Europe Hedged (EUR) index is a European convertible bonds index.

• INVESTMENT STRATEGY**1. Strategies used**

The management policy is based on fundamental and discretionary management of the asset allocation and on a selection of convertible or equivalent bonds without any constraint other than geographical and in compliance with the exposure limits.

The investment process comprises five stages:

- 1- Filtering of the universe taking into consideration the liquidity and size of the issue in order to eliminate less liquid securities. Liquidity changes depending on market conditions;
- 2- An assessment of the credit quality of the issuer and an estimation of the implied volatility of the convertible bond, exchangeable, indexed, or redeemable in an international equity, in order to position the relative cost of each convertible bond within its universe and in relation to other available implied volatilities (options, etc);
- 3- Analysis of the underlying stock and its earnings prospects;
- 4- Consolidation of the individual data and construction of the portfolio;
- 5- In accordance with the managers' expectations, positioning and overall management of the exposure to equities, interest rates and credit.

The exposure of the sub-fund to equity risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market trends.

Therefore the equity exposure of the portfolio may vary significantly over time, insofar as the equity exposure measures the performance of a convertible compared to a variation of 1% in its underlying equity. For example, when the underlying equity increases by 1% and the convertible by 0.45% then the equity sensitivity of the convertible will be 45% (0.45%/1%). The equity sensitivity of the sub-fund is mostly balanced by the sensitivity weighting of each line.

The sub-fund's sensitivity to interest-rate risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market fluctuations.

Thus sensitivity may change significantly over time.

The sub-fund's sensitivity to credit risk will be a function of:

- The characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market. The credit spreads, i.e. the difference between the yield to maturity of the security and the swap rate for an equivalent duration, may change significantly over time.
- Positions taken on the credit derivatives market.

The manager may take positions in the French and foreign regulated futures markets in order to expose and/or hedge the portfolio to/against the indices of the investment zone or to the underlying securities in order to reach the investment objective and to take advantage of market variations.

The sub-fund may be exposed up to 50% of its net assets to the equity markets (due to the nature of convertible bonds and the process of investment) with a targeted exposure between 10% and 40% of its net assets.

Exchange rate risk will be systematically hedged. This hedging may include indirect exchange risk (the case of a security denominated in a currency whose underlying risk is in another currency). The objective of the hedging is to have a residual direct exposure which is less than 10% of its net assets.

For all classes of shares denominated in a currency other than the Euro, the exchange rate risks of the currency of the share compared to the benchmark of the sub-fund will be systematically hedged. However, in view of the technical difficulties of carrying out this hedging, the classes of shares denominated in a currency other than the Euro may possibly be exposed to some minor exchange rate risk, due to changes in the value of liabilities (subscriptions/redemptions) or assets (change in the value of assets hedged). All the costs and risks resulting from exchange rate hedging transactions will be charged respectively to the classes of shares denominated in a currency other than the Euro.

The general sensitivity range of the sub-fund shall be between 0 and 6.

2. Assets

The sub-fund invests in securities of any rating or non-rated, according to the manager's analyses and where the underlying and/or the issuer is a company which has its registered office in a member country of the OECD or is listed on a European stock exchange, with a predominant weighting on European countries. Therefore the sub-fund may be exposed to high yield securities labelled « speculative ». In addition, and notwithstanding the above, the sub-fund may invest in any securities which make up the benchmark index referred to above.

Convertible bonds:

The sub-fund invests at all times at least two thirds of its net assets in convertible bonds and/or equivalent securities:

- bonds exchangeable into shares and/or
- bonds redeemable in shares and/or
- bonds with subscription warrants and/or
- bonds indexed on shares and/or
- any other types of securities included in convertible indices such as securities which may be considered as shares under local law (mandatory convertibles, Preferred Convertibles, Mandatory Convertibles Preferred shares, Mandatory Convertibles Preferred stocks, Mandatory Exchangeable Bonds, Convertible Perpetual Preferred Stock etc).

The sub-fund will not use contingent convertible bonds ("CoCos"), which are subordinated debt issued by credit institutions and insurance or reinsurance companies, which are eligible for their own regulatory capital and which are convertible into equity, the nominal of which can be reduced (a mechanism called "write down") where a "trigger event" occurs, as defined in the prospectus of the debt security concerned.

Debt securities and money market instruments and bonds:

The sub-fund may also be exposed to negotiable debt instruments, bonds, **whatever their maturity or the issuer's rating** (based on the manager's analyses), as a driver of performance as well as for cash management.

Non-convertible bonds or similar (BMTN, EMTN, TCN) non-Investment Grade securities will represent not more than 20% of the sub-fund's net assets.

Equities:

Apart from preferred shares, the sub-fund will only be invested in equities which result from either a conversion or a swap and the total percentage of the equity holding may not exceed 10% of its net assets.

Investment in shares of other UCITS, AIFs (Alternative Investment Fund) or foreign investment funds:

In order to achieve its management objective or to manage its cash flow, the sub-fund may invest up to 10% of its net assets in shares of harmonised French or European UCITS, or in AIFs and other investment funds which respect the four criteria as defined by article R.214-13 of the Financial and Monetary Code, of any classification. They may be managed by UBI or other management companies.

When the sub-fund invests in the units of UCITS, or AIFs, or eligible investment funds managed directly or indirectly by UBI or by a company to which it is linked through common management or common control or through a direct or indirect shareholding of more than 10% of the capital or votes, no subscription or redemption fee may be charged to the sub-fund for investment in these UCITS or AIFs or eligible investment funds, with the exception of the commissions retained by the UCITS or AIFs or eligible investment funds.

For investments made by the sub-fund in a UCITS or AIF or eligible investment funds linked to UBI as described above, there will not be any duplication of the management fees invoiced by UBI and the UCITS or the AIF or any other eligible investment fund concerned. Accordingly the manager shall invest in units/shares of Group UCITS, AIFs or other eligible investment funds without incurring financial management fees. In default of this, the assets invested in Group UCITS and/or AIFs or other eligible investment funds shall be deducted from the base of management fees charged by the management company.

Securities' Markets and Stock Exchanges:

You are reminded that the Fund may invest in any eligible financial security or money market instrument traded on a regulated market or other regulated market situated in an EU state or a state which is party to the European Economic Area agreement, or officially listed on a stock market of a third country to the European Union or European Economic Area, or traded on another market of a third country according to the conditions laid down in Article R.214-11 of the Monetary and Financial Code.

Accordingly, the management company does not exclude any stock or securities market in Europe, the Middle East, Africa, Americas, Asia, Pacific. The securities in the portfolio may therefore be issued under any law, including securities issued under the regulations known as REG S or 144A, in respect of the investment strategy of the above sub-fund.

3. Derivative instruments

The sub-fund may take positions in forward financial instruments traded on regulated markets in France and abroad, and conduct over-the-counter transactions on financial instruments, including interest-rate or currency swaps, without seeking overexposure.

In this context the manager may take positions in order to expose and/or hedge the portfolio to/against the interest rate/equities indices of the investment zone or to equities in order to pursue the management objective, take advantage of market variations and generally to manage the portfolio's exposure to the stock, bond and interest-rate markets (cf investment process above).

➤ Markets invested in:

- French and foreign regulated futures markets,
- organised markets,
- over-the-counter markets.

➤ Risks to which the manager seeks exposure:

- interest rates,
- equities and similar securities,
- market indices,
- foreign exchange,
- credit.

➤ Instruments used for both exposure and hedging:

- interest rate swaps,
- currency swaps,
- futures,
- options,
- Credit Default Swaps (“CDS”)
- CDS on indices,
- CDS options and CDS indices.

The sub-fund will not use Total Return Swaps (TRS).

4. Securities with embedded derivatives (up to 100% of net assets)

The sub-fund may use securities such as convertible bonds and similar securities with embedded derivatives of the type mentioned in paragraph “2. Assets”, up to the limit of 100% of net assets. The strategy for use of securities including derivatives is the same as that described for the use of derivative instruments.

The sub-fund will not use contingent convertible bonds (“CoCos”).

5. Cash deposits

The sub-fund may make cash deposits in order to optimize its cash flow management.

6. Cash borrowings

It is not the aim of the sub-fund to borrow cash but it may find itself in the position of debtor owing to transactions linked to its cash flow (ongoing investments and disinvestments, subscription/redemption operations, etc.) within a limit of 10% of the net assets.

7. Sale and repurchase agreements

It is not the aim of the sub-fund to use these types of transactions.

• FINANCIAL GUARANTEES

For transactions on derivative instruments, the sub-fund may receive or provide financial guarantees such as margin or guarantee deposit calls which are paid either in cash or financial securities.

• RISK PROFILE

The prices of convertible bonds are subject to a number of influences:

- the general level of interest rates – **Interest-rate risk**
- the price of the underlying equity – **Equity risk**
- the level of the issuer’s credit risk – **Credit risk**
- volatility of the conversion option – **Volatility risk**
- level of foreign currencies, be it that of the issuing currency or that of the underlying equity – **Exchange rate risk**

The level of the different risks varies greatly over time.
Furthermore the general level of the markets has a significant influence on all these parameters.

Capital loss risk:

The sub-fund carries no guarantee or protection and the capital initially invested may not be returned.

Interest-rate risk:

Due to its composition, the sub-fund may be subject to interest rate risk. This risk results from the fact that in general debt securities and bonds fall in price when interest rates rise. The investor in bonds or other fixed income securities may suffer negative performances following fluctuations in the level of interest rates.

Equity risk:

Your investment may be subject to a maximum 50% exposure to the equity market, because of the inherent nature of convertibles and our investment process. A fall in the equity markets can cause a fall in the net asset value.

Credit risk:

Credit risk is the potential risk of decline in the credit rating of the issuer which will have a negative impact on the price of the security and therefore on the net asset value. Credit risk also results when the issuer of a bond is not able to repay the loan and to make interest payments on the dates provided for in the contract.

Volatility risk:

Given an investment strategy consisting mainly of investments in convertible bonds, the net asset value is liable to vary with changes in the value of the conversion option (i.e. the possibility of converting the bond into a share).

These risks result in the fact that the performance of the sub-fund does not depend solely on the market trends; it is therefore possible that the value of the assets may fall at a time when the stock markets are rising.

Liquidity risk:

In case of a significant increase in risk aversion, or due to troubled markets, the bid-ask spread may widen significantly. This widening may result in a more marked fall in the net asset value, mainly when the sub-fund has to deal with redemptions. This risk may affect convertible bonds and similar securities which are mainly traded in over-the-counter markets.

Risk associated with investment in high yield securities:

There is a credit risk which applies to securities labelled "Speculative" which present a higher probability of default than those of "Investment Grade". They offer higher levels of yield in compensation, but may, in the case of a downgrade in the rating, reduce significantly the net asset value.

Counterparty risk:

Counterparty risk represents the risk of failure of a counterparty (particularly a banking establishment) leading to a default in payment. Any such default in payment by a counterparty may lead to a fall in the net asset value.

Risk associated with the use of derivatives:

The sub-fund is exposed to the risk of derivative products, mainly due to the possibility of it being hedged or exposed to various markets via futures. The use of derivative products may therefore increase or reduce the sensitivity of the sub-fund to either upwards or downwards market movements.

Exchange rate risk:

Risk associated with assets or classes of shares which may be denominated in currencies other than the currency of the sub-fund (Euro). The sub-fund or class of share concerned is subject to the fluctuation of exchange rates between the currency of the sub-fund and these other currencies. If the currency of a share class or a security appreciates compared to the currency of the sub-fund, its value will increase. On the other hand, a depreciation of this same currency will lead to a loss in the value of the security or of the class of shares concerned and will be reflected in the Net Asset Value.

• **SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE**

Subscribers concerned:

Shares	Subscribers concerned
AC (EUR)	All subscribers
AD (EUR)	All subscribers
AHD (GBP)	All subscribers
AHC (CHF)	All subscribers
AHC (USD)	All subscribers
AHD (USD)	All subscribers
AHC (SEK)	All subscribers
AHD (SEK)	All subscribers
UC (EUR)	Reserved to investors defined below
UD (EUR)	Reserved to investors defined below
UHC (GBP)	Reserved to investors defined below
UHD (GBP)	Reserved to investors defined below
ZC (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
ZD (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
SC (EUR)	Reserved to 1) Israeli institutional investors or 2) external distributors which have over EUR 100 million in the whole UBAM Convertibles SICAV and have separate fee sharing arrangements with their underlying clients

The attention of subscribers is drawn to the information relating to non-authorized investors mentioned in the general characteristics.

Typical investor profile:

The sub-fund's shares are aimed at clients who wish to benefit from the positive or negative performance of European convertible bonds.

Type A share class is available to all subscribers.

Type U share class is only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:

- portfolio management services; or
- independent investment advisory services;
- similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

It is the responsibility of each investor to correctly assess his personal situation and to invest in the appropriate share class or unit according to the definition of each share class or unit.

Type Z share class is aimed at mutual funds, AIFs or other investment funds and institutional investors, who have a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group.

Type S share class is aimed at:

- Israeli institutional investors or
- External distributors which have over EUR 100 million in the whole UBAM Convertibles SICAV and have separate fee sharing arrangements with their underlying clients and who wish to benefit from the positive or negative performance of euro zone convertible bonds and subscribe in euros.

Type C share class is aimed at clients who wish to benefit from the accumulation of distributable income.

Type D share class is aimed at clients who wish to benefit from the distribution and/or carried forward and/or accumulation of distributable income.

Type H share class is aimed at clients who wish to benefit from the systematic hedging of the exchange rate risk between the currency of the share class and the benchmark currency of the sub-fund.

The amount it is reasonable to invest in this sub-fund depends on the personal situation of each individual investor. To determine a reasonable amount, personal wealth, current needs and the recommended three-year duration of the investment need to be taken into account; however, attention must also be paid to willingness to take risks, because of the inherent volatility of the equity markets, and the dynamic strategy of the sub-fund.

It is also recommended that investments be sufficiently diversified so as not to expose them solely to the risks of a single UCI or sub-fund of a UCI.

Recommended investment horizon: 3 years.

Management Report

2018: the wide spread between economic performances and equity markets

Global growth was strong in 2018 (3.8%), but there were disparities between the various regions and a general slowdown occurred towards the end of the year. The economic situation during the course of the year was marked by trade war fears between the US and its many partners, by specific tensions between Washington and Beijing and by regular interest rate increases from the Fed in parallel with the reduction of its balance sheet.

US growth in 2018 proved to be the most vigorous among the major developed economies (2.9%) thanks to tax reform and the recovery of confidence both in industry and among consumers. The unemployment rate continued to fall to reach a historic low of 3.7%, with resulting full-employment wage pressures. The new US trade policy led to an increase in import duties on steel, aluminium and numerous products imported from China. The trade agreement between the US, Canada and Mexico was renewed and negotiations were opened with Japan and the European Union particularly regarding automobiles. At the end of the year a three-month truce in their trade conflict was agreed between the US and China – a period used by the Chinese authorities to review their import duties on American products, the opening of their markets and their medium term development strategy.

The other developed countries saw their prospects weaken during the course of the year, particularly in Europe where the growth rate had fallen below 2% by the end of the year. Fears of a trade war particularly affected the morale of European companies, while domestic consumption was not as solid as in the US and household confidence and consumption slowed despite the fall in unemployment. In addition, the political environment was difficult within the Eurozone as unstable coalitions took power in Italy, Spain and Germany, while France faced protests in response to government business reforms. The UK finally concluded a Brexit withdrawal agreement with the EU, but the Prime Minister failed to win support for it and the UK parliament failed to ratify the agreement, leading to renewed fears concerning the exit process. In Japan growth remained weak and was heavily impacted by major weather events in the third quarter. Consumption and wages recovered however, to set a more positive trajectory.

In China growth slowed as a result of the measures adopted in 2017 aimed at reducing the indebtedness of economic agents. With the threat of a trade war, monetary and budgetary stimulus measures were implemented, but have not yet taken effect except on investment, and domestic activity was still in a downturn at the end of the year. Growth in other emerging countries also slowed, due to increases in interest rates, falls in commodity prices and the currency crisis observed in the second quarter. Signs of improvement appeared in Brazil following elections and in Argentina loans from the IMF were extended to avert crisis. Finally in Turkey, the situation remains unstable and the country entered recession in the second half.

Inflation was in line with the objectives of the main central banks, Japan excepted, where it remained well below 2%. In the US and Eurozone inflation rose above 2% during the course of the year, but moderated in the third quarter due to falls in commodity prices. Underlying price indices did not follow the rebound in global indices, but were stable or slightly higher. In emerging markets inflation showed a higher overall trajectory due to domestic demand and falls in local currencies.

Central banks continued to tighten monetary policy, leading to the reappearance of monetary constraints and even liquidity stresses. The Fed raised interest rates four times in 2018, moving from within a range of 1.25%-1.50% to 2.25%-2.50%, and the ECB ended its asset purchases after a reduction in volumes in October. The Bank of England raised its rates (from 0.5% to 0.75% in August) in order to contain inflation and wages. Even the Bank of Japan adjusted its bond purchases and made its objective on the 10 year more flexible. By contrast, the Bank of China loosened its policy through injections of liquidity and cuts to the levels of reserves held by commercial banks, having allowed its currency to slip during the summer.

Most of the Asian central banks continued their interest rate increases in the wake of the Fed, in order to stabilise their currencies, restore the confidence of the markets and combat more sustained inflation. The Turkish and Argentinian central banks were forced to increase their rates drastically in order to stem monetary crises, while Brazil cut its interest rates twice.

Sovereign bonds among the rare assets to close in the black

Against a background of strong economic growth, increased inflationary pressures, and several rate increases expected from the Fed, both short and long US rates began the year on a clearly rising trend. It took until mid-September however for the 10 year to break through 3%, reaching a peak of 3.24% at the beginning of November. Signs of a slowdown in the world economy, and more dovish language from Jerome Powell saw the 10-year rate fall to 2.68%, a gain of 20 bps over the year. With the 2 year having risen from 1.89% at the beginning of the year to 2.49%, the rate curve flattened dramatically. In the Eurozone, the rise in the German 10-year at the beginning of the year was quickly halted by the fear, followed in May by the actuality, of an alliance between the 5 Star Movement and the Northern League in Italy. Against expectations, the 10-year Bund fell by 19 bps over the year, to finish at 0.24%. As a result, German sovereign debt (+2.4%) clearly outperformed its US counterpart (+0,8%). With the exception of Italian bonds (-1.4%), sovereign debt in the major developed economies finished in the black, including Switzerland (+0.9%) and the UK (+0,5%).

If the increase in risk aversion during the course of the third quarter was very favourable for government bonds at the end of the year, it was damaging for credit. The widening of spreads clearly penalised both the Investment Grade segment (-2.2% in USD and -1.1% in EUR) and the High Yield segment (-2.3% and -3.6% respectively). The losses were however higher for emerging market debtholders (-4.3% for bonds denominated in USD and -6.2% for those in local currencies converted into USD).

Currencies and Commodities: sharp rise in the dollar and high oil price volatility

After its unexpected fall in 2017, the dollar appreciated against all major currencies in 2018 with the exception of the Yen (-3% to 109.7), which played its role of safe haven at the end of the year. The greenback particularly benefited from the strength of US growth, political risks in Italy and the UK, as well as a sharp increase in risk aversion. The Euro thus gave up nearly 5% against the dollar, falling to nearly 1.12 in mid-November, before recovering to 1.15. These uncertainties in Europe logically supported the Swiss Franc, which rose around 4% against the Euro, to finish at 1.13. The absence of agreement on Brexit explains the volatility of Sterling, which in the end gave up nearly 6% against the dollar. Most emerging currencies depreciated against the greenback, including the Chinese Yuan (-5%), which tested the 7.0 level against the background of trade war, the slowdown in activity and the easing of central bank monetary policy. Some currencies were severely penalised by domestic political risk and by the correction in commodity prices, among them notably the Argentine Peso (-51%), the Turkish Lira (-28%), the Brazilian Real (-15%) and the Russian Ruble (-17%).

The Ruble very obviously suffered from the fall in the price of oil during the last quarter. A number of reasons explain the increase in concern arising from an excess supply on the market. While the rise in price up to October (with Brent breaching the USD 85 threshold) was maintained through the willingness of the US administration to quit the Iranian nuclear agreement, the announcement by Donald Trump of derogations to sanctions against Teheran in a context of high growth in production in the US and fears of a slowdown in demand maintained selling pressure. The price of a barrel of Brent finally closed at USD 54, a fall of 20% over the year. After heavy losses during the second and third quarters, mainly due to the strength of the dollar, the price of gold recovered at the end of the year, to finish at USD 1283 (-2%).

Equity markets: return of volatility in a difficult year

Despite the upward trend in global growth and a solid rise in company profits, particularly in the US, the MSCI World All Country (in local currencies net dividends reinvested) fell by 7.7% over the year (after a rise of 19.8% in 2017). There were negative performances in nearly all countries and sectors. Although the markets commenced the year on a very positive note, the acceleration of wage increases in January increased the Fed's resolve and triggered the first tremor.

The forming of a new government in Italy in the spring brought back bad memories for investors. Wall St, driven by its large technology companies, reached new highs in September. The markets then collapsed during the month of October and again in December on the basis of fears of a slowdown in global growth combined with excessive tightening from the Fed. In the end the US market (-5% according to the MSCI index) once again outperformed that of the Eurozone (-12.7%), which had particularly suffered from its high exposure to the banking sector.

Thanks to its more defensive profile the Swiss market resisted a bit better (-8.0%), as did the British market (-8.8%). The Japanese market (-15.1%), notoriously cyclical, under-performed the other developed markets and posted losses in line with emerging markets in USD (-14.6%). Asian markets (-15.5% in USD) and in particular China (-18.9%), were heavily penalised by the US-China trade war. In Latin America, the Argentine market collapsed (-50.8%), while Brazil (-0.5%) benefited from the election of a new president. In Europe, the relatively healthy performance of the Russian market (-0.7%) contrasted with the severe fall in the Turkish market (-41.4%).

At a global level, only the utilities sectors (+3.5% in local currencies) and health (+2.9%) finished in the black. At the other end of the spectrum, the financial, industrial and materials sectors saw falls of around 13%. The technology sector (-5.3%) outperformed slightly despite a catastrophic end to the year.

Prospects 2019: management of risks rather than quest for performance

At the beginning of 2018 investors had every reason to be enthusiastic about the continuation of synchronised global growth, driven particularly by US fiscal stimulus. We remained cautious however, believing that investors should expect more modest performances going forward than those observed in 2017. At the beginning of 2019, it is important to note that even if the pressures on valuations have eased, on the equity markets in particular, other risks are looming on the horizon.

Global growth should slow in 2019 (3.6% expected), and desynchronization in pace will take place between the various regions. If fears of recession in the US do not seem justified, growth may begin to run out of steam (2.6% expected, after 2.9%), but it should still remain higher than that of other developed countries. Activity in China should rebound during the year with the effect of various stimulus measures and the prospect of a trade agreement with the United States. The Eurozone, the UK and Japan should see their growth stabilize at a lower level than that seen in 2017 and 2018.

Inflation should also settle around the objectives of the central banks, but wage pressures should continue and underlying prices may rise gradually in several countries. In addition, the main central banks will likely continue their monetary tightening. The hardening of central bank policies should accelerate with the end of quantitative easing from the ECB and a Fed inclined to continue its interest rate rises during the year. However, the latter may see a pause due to a hardening in financial conditions, their impact on the US business cycle and stress in the financial markets.

In this context, equity investors should count on performances in single figures in 2019, driven mainly by a moderate growth in profits. From a strategic point of view, this volatility offers investors the opportunity to extend their investment horizon, leaning more heavily on secular trends, in order to add value in 2019.

Convertible bonds in 2019

The recurring term in our commentaries throughout 2018 was the following: volatility. For convertible bonds, 2018 was envisaged as a favourable year thanks to a rising interest rate background (making our asset class attractive compared to traditional bonds) and equity performances which buoyed the universe. These equity performances were envisaged thanks to a generally favourable macroeconomic context offering a synchronization in growth dynamics worldwide. In Europe this optimism did not last longer than three short weeks, with the year's high point in the markets being reached on 23 January.

Subsequently, fears over US interest rates, the political situation in Italy, Brexit, trade tensions between the US and China and the end of year protests in France succeeded each other. While central banks worldwide gradually tightened their monetary policies, albeit to varying degrees, the impacts on risk markets were significant. Liquidity levels, less extreme, were less protective. In the end the rebounds seen in April/May, and again in June and September, were only opportunities to reduce risks before new lows. The most marked of these was obviously that of the final quarter where European equity markets gave up around 12%.

The convertible bond market saw several upward movements in 2018. After a beginning to the year during which valuations increased, the month of May was significant to the extent that a violent retrenchment both in size and rapidity, took place. One of the explanations was the issue of the Sika convertible for CHF1.65bn, a size not seen in the market for 3 years. This remains for us the emblematic European issue of the year, due to its size and attractiveness. Valuations subsequently rebounded again after the summer and held up well in the agitated markets of the last quarter. Regarding credit spreads, 2018 marked a reversal of recent trends. The spread observed had a negative impact on our asset class: the level of crossover during the year went from 233bps to 352bps.

We took advantage of the end of the year by making a remarkable observation on the European convertible bond universe. The significant fall in the equity markets combined with a feeble primary market (the lowest volume of issues in Europe since 2011 and therefore little renewal of the universe with convex profiles) leading to a scarcity of convexity in the universe. In fact, less than 40% of the universe today offers an equity sensitivity of between 20% and 80%. This means that more than 60% of the universe has a nearly bond-like or nearly equity-like profile. Unsurprisingly, the bond element largely dominates (58%). At the beginning of 2019 our main objective is to concentrate our efforts on the convex part of the universe in order to continue to offer a convex profile across our investments.

Overall, the performance of the UBAM Convertibles Europe 10-40 fund was -7.15% from the 29 December 2017, against -5.87% for its benchmark index.

Past performances are no guarantee of future performance.

Main movements in the portfolio during the financial year

Securities	Movements ("Accounting currency")	
	Purchases	Sales
IBERDROLA INTERNATIONAL BV ZCP 11-11-22 CV	34 970 680.00	68 976 835.00
AMERICA MOVIL SAB DE ZCP 28-05-20	32 164 505.00	62 366 385.00
RAG STIFTUNG 0% 31-12-18 CV	26 972 190.00	62 091 450.00
HUSTHO 3 3/8 04/02/19 CV	40 299 843.33	44 177 117.03
HANI FINA DEUT ZCP 12-05-20 CV	33 349 150.00	49 615 415.00
GRAN CITY PRO 0.25% 02-03-22	26 342 535.17	56 129 531.53
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	21 262 555.03	49 659 478.48
SNAM ZCP 20-03-22	31 607 305.00	33 412 750.00
TELE ZCP 09-03-21 EMTN	14 731 040.00	49 485 625.00
FRESENIUS SE ZCP 31-01-24	18 315 700.00	44 638 685.00

EFFICIENT MANAGEMENT TECHNIQUES OF THE PORTFOLIO AND DERIVATIVE FINANCIAL INSTRUMENTS**a) Exposure resulting from efficient management techniques of the portfolio and derivative financial instruments**

- Exposure resulting from efficient management techniques:
 - **Security lending:**
 - **Security borrowing:**
 - **Repurchase transactions:**
 - **Reverse repurchase transactions:**
- Underlying exposure resulting from derivative financial instruments: **205 172 334.10**
 - **Currency forward exchange contracts: 184 621 504.96**
 - **Futures:**
 - **Options: 20 550 829.14**
 - **Swaps:**

b) Identity of counterparties linked to the efficient management techniques of the portfolio and derivative financial instruments

Efficient management techniques	Derivative financial instruments (*)
	DISCOUNT BANK SA LUXEMBOURG

(*) not including listed derivatives.

c) Financial guarantees received by the Fund in order to reduce counterparty risk

Type of instrument	Amount in the portfolio currency
Efficient management techniques	
. Term deposits	
. Equities	
. Bonds	
. UCITS	
. Cash (**)	120 000.00
Total	120 000.00
Derivative financial instruments	
. Term deposits	
. Equities	
. Bonds	
. UCITS	
. Cash	
Total	

(**) The Cash Account also includes cash resulting from repurchase agreements.

d) Revenues and operating expenses linked to efficient management techniques

Revenues and operating expenses	Amount in the portfolio currency
. Revenues (***)	
. Other revenues	
Total revenues	
. Direct operating expenses	
. Indirect operating expenses	
. Other expenses	
Total expenses	

(***) Revenues from repurchase agreements.

Transparency of securities financing transactions and the reuse of financial instruments – SFTR Regulation (EU) – in the fund’s accounting currency (EUR)

	Security lending	Security borrowing	Repurchase transactions	Reverse Repos	TRS
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a) Securities and commodities lent

Amount					
% of net assets *					

*% not including cash and equivalent

b) Assets committed for each type of security financing transaction and TRS expressed in absolute value

Amount					
% of net assets					

c) 10 main issuers of guarantees received (excluding cash) for all types of security financing transactions

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d) 10 main counterparties in absolute value of assets and liabilities without compensation

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e) Type and quality of guarantee (collateral)

Type					
- Equities					
- Bonds					
- UCI					
- TCN					
- Cash	120 000.00				
Rating					
Amount of the guarantee					
- EURO	120 000.00				

f) Clearing and settlement of contracts

Tripartite					
Central counterparty					
Bilateral	X			X	

	Security lending	Security borrowing	Repurchase transactions	Reverse Repos	TRS
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g) Maturity of guarantee broken down into tranches

Less than 1 day					
1 day to 1 week					
1 week to 1 month					
1 to 3 months					
3 months to 1 year					
Over 1 year					
Open					

h) Maturity of guarantee for security financing transactions and TRS broken down into tranches

Less than 1 day					
1 day to 1 week					
1 week to 1 month					
1 to 3 months					
3 months to 1 year					
Over 1 year					
Open					

i) Data related to the reuse of guarantees

Max. amount (%)					
Amount used (%)					
Income for the Fund from the reinvestment of cash guarantees in euros					

j) Data related to the custody of the guarantees received by the Fund

Caceis Bank					
Securities					
Cash	120 000.00				

k) Data related to the custody of the guarantees given by the Fund

Securities					
Cash					

	Security lending	Security borrowing	Repurchase transactions	Reverse Repos	TRS
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l) Breakdown of revenues and costs

Revenues					
- UCI					
- Manager					
- Third parties					
Costs					
- OPC					
- Manager					
- Third parties					

e) Type of data and quality of guarantees (collateral)

Union Bancaire Gestion Institutionnelle aims to accept only securities of high credit quality and aims to increase the value of its guarantees by applying valuation discounts to the securities received. This provision is regularly reviewed and updated.

i) Data related to the reuse of guarantees

Guarantees received in cash are reinvested in the following 5 instruments:

- Short-term monetary funds (as defined by ESMA in its guidelines on listed funds and other questions relating to mutual funds)
- Deposits
- Long term government securities of high quality
- Short term government securities of high quality
- Reverse repos

The maximum amount of re-use is 0% for securities and 100% of the amount received for cash. The amount used is 0% for securities and 100% for cash received.

k) Data related to the custody of the guarantees given by the Fund

Union Bancaire Gestion Institutionnelle aims to work with a reduced number of custodians which are selected in order to ensure the safekeeping of cash and securities received.

l) Breakdown of revenues and costs

All income resulting from repurchase transactions, net of operating costs, is returned to the Fund.

Securities financing transactions are concluded with market counterparties and intermediated by Union Bancaire Gestion Institutionnelle.

Regulatory information

• VOTING RIGHTS

In accordance with the applicable regulations and UBP's internal directives, UBI has implemented a voting policy suited to its activities. This policy stipulates the circumstances in which we intend to exercise the voting rights that come with ownership of shares in the UCITS we manage. This policy is available upon request from the management company.

UBP ASSET MANAGEMENT (France)
UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS
116 avenue des Champs Elysées 75008 PARIS.
e-mail: ubpamfrance@ubp.com

• PROCEDURE FOR SELECTING INTERMEDIARIES

In accordance with the AMF General Regulations, the management company has set up a "best selection/best execution" policy for selecting intermediaries and counterparties, which is available to investors on the website of the management company www.ubpamfrance.com. The objective of this policy is to select traders and intermediaries based on predefined criteria and whose execution policy will ensure the best execution of orders. On the same website, you will find the report relating to intermediation fees.

• ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA (ESG)

Information relating to the environmental, social and governance criteria (ESG) is available on the asset management company's website www.ubpamfrance.com.

• REMUNERATION POLICY

Quantitative and qualitative elements relating to remuneration

The company is approved by the Autorité des Marchés Financiers as a Fund manager and Alternative Investment Fund manager. It also manages mandates on an ancillary basis.

Remuneration paid by the company to its staff is composed of fixed remuneration and may, if financial conditions permit, include a variable component in the form of a discretionary bonus based on criteria adapted to each person.

The remuneration policy promotes sound and efficient management of risks and does not encourage excessive risk-taking in contravention of the risk-profile, the regulations or the fund instruments managed.

The objective of the remuneration policy is to encourage the alignment of risks taken by staff with those of the funds, the investors in the funds and those of the management company itself.

The company takes account when fixing variable remuneration of the combination of evaluation of individual performance, the general financial situation of the company and the results of the Group to which it belongs (UBP Group). The evaluation of individual performance is based on quantitative criteria (financial) and qualitative (non-financial).

The remuneration policy provides for a structured system of remuneration oriented on a long-term vision. It incorporates the remuneration policy into risk management of the company and that of UBP Group and encourages the staff concerned to promote sustainable success and the stability of the company and the UBP Group.

The company remuneration policy was reviewed in June 2018 in order to bring it into compliance with the provisions resulting from the UCITS Directive. It is available on the company website. It is subject to an annual audit. In 2018 no significant observations were formulated.

No staff member is allocated to a particular fund, group of funds or mandate(s). The quantitative data below are expressed pro-rata of the funds concerned within the total of assets under management of the company with all forms of management combined (UCITS, AIFs and mandates) as noted at the close of the financial year ended at 31 December 2018.

Table relating to the quantitative elements:

UBAM CONVERTIBLES EUROPE 10-40

<i>Year of attribution</i>	number of beneficiaries	2018 in KEUR
<u>Total Staff (Management Company)</u>		
Gross fixed salaries	29	391
Variable remuneration		218
General total		609
<u>Staff with bearing on the risk profile</u>		
Gross fixed salaries	20	329
Variable remuneration		198
General total		527

• CALCULATION METHOD OF THE GLOBAL RISK

The method of calculating the overall risk ratio is the Value at Risk (VaR) method.

The general level of leverage, calculated as the total sum of the notional values of the derivatives used, will be 250%. It is possible for the Fund to have a higher level of leverage.

The VaR is calculated with a confidence interval of 99% and a horizon of 20 days.

Fund	Calculation method	VaR			Monitoring period of the VaR	Parameter models used	Influence
		Average	Min.	Max.			Average level
UBAM CONVERTIBLES EUROPE 10-40	Absolute VaR	8.6%	7.3%	10.7%	From 2 January to 31 December 2018	Factor push / 99% confidence interval, 20 days holding period, 9-year historical period	116.0%

Annual Accounts

Balance sheet - Assets (in EUR)

	31/12/2018	29/12/2017
NET FIXED ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	339 642 017.27	971 171 402.18
Equities and similar securities		
Traded on a regulated or similar market		
Not traded on a regulated or similar market		
Bonds and similar securities	336 891 595.27	962 362 390.18
Traded on a regulated or similar market	336 891 595.27	962 362 390.18
Not traded on a regulated or similar market		
Debt securities		
Traded on a regulated or similar market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or similar market		
Undertakings for collective investment		
UCITS retail funds and AIFs aimed at non-professional and equivalent investors from other countries		
Other Funds aimed at non-professional and equivalent investors from the EU member states		
Professional retail and other equivalent Funds from other EU member states and listed securitization vehicles		
Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles		
Other non-European funds		
Repurchase agreements		
Receivables on securities received under a repurchase agreement		
Receivables on loaned securities		
Borrowed securities		
Securities transferred under a repurchase agreement		
Other temporary transactions		
Derivative instruments	2 750 422.00	8 809 012.00
Transactions on a regulated or similar market	2 750 422.00	8 809 012.00
Other transactions		
Other financial instruments		
RECEIVABLES	184 636 010.70	374 473 510.73
Currency forward exchange contracts	184 621 504.96	368 810 504.32
Other	14 505.74	5 663 006.41
FINANCIAL ACCOUNTS	4 524 910.32	9 956 184.67
Cash	4 524 910.32	9 956 184.67
TOTAL ASSETS	528 802 938.29	1 355 601 097.58

Annual Accounts

Balance sheet - Liabilities (in EUR)

	31/12/2018	29/12/2017
EQUITY CAPITAL		
Capital	355 086 217.86	956 059 669.62
Accumulated undistributed net realised gain (a)		
Retained earnings (a)	19.09	390.16
Net realised gain (loss) for the year (a, b)	-11 564 260.63	27 747 874.58
Profit or loss (a, b)	300 053.78	1 240 100.55
TOTAL EQUITY CAPITAL *	343 822 030.10	985 048 034.91
Amount representing net assets		
FINANCIAL INSTRUMENTS		0.31
Sales of financial instruments		
Repurchase agreements		
Payables on securities under a repurchase agreement		
Payables on borrowed securities		
Other temporary transactions		
Derivative instruments		0.31
Transactions on a regulated or similar market		0.31
Other transactions		
PAYABLES	184 980 861.96	370 434 043.58
Currency forward exchange contracts	184 409 665.12	365 877 840.79
Other	571 196.84	4 556 202.79
FINANCIAL ACCOUNTS	46.23	119 018.78
Current bank account overdrafts	46.23	119 018.78
Loans		
TOTAL LIABILITIES	528 802 938.29	1 355 601 097.58

(a) Including adjusted accounts

(b) Reduced by interim dividends paid for the financial year

Annual Accounts

Off-Balance Sheet (in EUR)

	31/12/2018	29/12/2017
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
OTC commitments		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Options		
DEUTSCHE POST NAMEN 12/2020 CALL 44	200 428.33	
DJ EURO STOXX 50 12/2019 CALL 3100	12 890 413.68	
LVMH 12/2020 CALL 240		9 713 633.35
MICHELIN - CAT.B 12/2020 CALL 120		9 752 125.21
SAINT-GOBAIN 06/2019 CALL 52		7 151 219.84
SIEMENS AG-REG 06/2019 CALL 120	207 191.37	
TOTAL 12/2022 CALL 50	4 755 494.99	
VINCI (EX SGE) 12/2021 CALL 80	2 497 300.77	11 654 786.70
OTC commitments		
Other commitments		

Annual Accounts

Profit and Loss Statement (in EUR)

	31/12/2018	29/12/2017
Income from financial transactions		
Income from deposits and financial accounts	7 763.89	6 513.66
Income from equities and similar securities		
Income from bonds and similar securities	4 448 738.87	10 496 829.75
Income from debt securities		
Income from repurchase agreements		
Income from derivative instruments		
Other financial income		
TOTAL (1)	4 456 502.76	10 503 343.41
Payables on financial transactions		
Payables on repurchase agreements		
Payables on derivative instruments		
Payables on financial debts	23 331.63	94 384.62
Other financial payables		
TOTAL (2)	23 331.63	94 384.62
PROFIT FROM FINANCIAL TRANSACTIONS (1 - 2)	4 433 171.13	10 408 958.79
Other income (3)		
Management fees and depreciation provisions (4)	4 274 304.35	8 659 445.47
NET PROFIT FOR THE YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	158 866.78	1 749 513.32
Financial year revenue adjustments (5)	141 187.00	-509 412.77
Interim dividends paid for the financial year (6)		
PROFIT (1 - 2 + 3 - 4 + 5 - 6)	300 053.78	1 240 100.55

Notes to the annual accounts – Accounting rules and methods

The annual accounts are presented in accordance with the ANC 2014-01 Regulation as modified.

General accounting principles apply:

- a true and fair view, comparability and operational continuity,
- lawfulness, accuracy,
- prudence,
- consistency of methods from one financial year to the next.

The accounting method used for recording fixed revenue securities income is based on interest received.

Entries and disposals of securities are accounted for exclusive of charges.

The reference accounting currency for the portfolio is the Euro.

The financial year period is 12 months.

Asset valuation rules

Financial instruments are accounted for according to the historical cost method and recorded on the balance sheet at their current value, which is determined by the latest known market value or, if there is no market, by any external means, or by recourse to financial models.

Differences between the current values used in calculating the net asset value and historical costs of transferable securities when they enter the portfolio are recorded in "valuation differences" accounts.

Securities that are not in the portfolio currency are valued in accordance with the principle stated below, then converted into the portfolio currency based on the exchange rate on the day of valuation.

Deposits:

Deposits with a residual lifetime of less than or equal to three months are valued according to the straight-line method.

Equities, bonds and other securities traded on a regulated or similar market:

For the calculation of net asset value, shares and other securities traded on a regulated market or similar are valued according to the day's closing share price.

Bonds and similar securities are valued at the closing price communicated by various financial services providers. The accrued interest of bonds and similar securities is calculated up to the date of the net asset value.

Equities, bonds and other securities not traded on a regulated or similar market:

Securities not traded on a regulated market are valued by the Board of Directors, using methods based on goodwill value and return and taking into account the prices used during recent significant transactions.

Negotiable debt securities:

Negotiable debt securities and similar securities which are not traded in large volumes are valued on an actuarial basis using a reference rate as defined below, increased if needed by a margin representative of the intrinsic characteristics of the issuer:

Negotiable debt securities for which the maturity date is less than or equal to one year: interbank rate in euros (Euribor);

Negotiable debt securities for which the maturity date is more than one year: BTAN rates (Bons du Trésor à Intérêts Annuels Normalisés - standard annual interest French treasury bills) or OAT rates (Obligations Assimilables du Trésor - fungible French treasury bonds) with near-term maturity for longer periods.

Negotiable debt securities with a residual lifetime of less than or equal to three months may be valued according to the straight-line method.

Treasury bills are valued at the market rate communicated daily by the Banque de France.

UCIs held:

UCI units or shares are valued at the last known net asset value.

Repurchase agreements:

Securities received under a repurchase agreement are posted to assets in the "Receivables on securities received under a repurchase agreement" section in the amount provided for by the contract, increased by accrued interest receivable.

Securities given under a repurchase agreement are posted to the buyer portfolio at their current value. The debt for securities given under a repurchase agreement is posted to the seller portfolio at the value fixed in the contract, increased by accrued interest payable.

Loaned securities are valued at their current value and posted to assets in the "Loaned securities receivables" section at their current value, increased by accrued interest receivable.

Borrowed securities are posted to assets in the "Borrowed securities" section in the amount provided for by the contract and to liabilities in the "Payables on borrowed securities" section in the amount provided for by the contract, increased by accrued interest payable.

Derivative instruments:**Futures traded on a regulated or similar market:**

Futures traded on regulated markets are valued at the daily settlement price.

Derivative instruments not traded on a regulated or similar market:***Swaps:***

Interest rate and/or currency rate swap contracts are valued at their market value according to the price calculated by updating of future interest flows to market interest and/or currency rates. This price is adjusted to the issuer's risk.

Index swaps are valued actuarially on the basis of a benchmark rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated by the asset management company.

Off-balance sheet commitments:

Futures contracts are recorded at their market value as off-balance-sheet commitments at the price used in the portfolio.

Options are converted using the underlying equivalent value.

Commitments on swap contracts are presented at their nominal value or, in the absence of a nominal value, at an equivalent amount.

Management fees

Management fees are calculated on the net assets on each valuation.

These fees are charged to the profit or loss account of the fund.

Management fees are paid in full to the management company, which takes responsibility for all the operational expenses of the fund.

Management fees do not include transaction fees.

The maximum rate applied based on the net assets of the sub-fund not including UBGI UCIs is:

A shares: 0.90% including tax

U shares: 0.60% including tax

Z shares: 0.20% including tax

S shares: 0.65% including tax

Retroceded management fees due are accounted for at each net asset value.

The amount to be provisioned is equal to the portion of retrocession accrued over the period considered.

Allocation of distributable amounts**Definition of distributable amounts:**

Distributable amounts are constituted by:

The income:

The net income of the year is equal to the interest, arrears, premiums and lots, dividends, attendance fees, and all other income relating to the securities in the portfolio, plus the sums temporarily available and less the total of management fees and borrowing costs.

It is increased by the balance brought down and increased or decreased by the balance of prepayments and accrued income for the year.

Realised gains (losses):

The realised gains, net of fees, less realised losses, net of fees, for the financial year, increased by net realised gains not distributed or accumulated from previous financial years and decreased or increased by the balance of the adjusted realised gains account.

Allocation of distributable amounts:

<i>Distributable amounts</i>	AC, AHC, ZC, SC shares	AD, AHD, AD, UD, UHD, ZD shares
Allocation of net income	Accumulation	Distribution and/or carried forward and/or accumulation
Allocation of net realised gain (loss)	Accumulation	Distribution and/or carried forward and/or accumulation

Annual accounts

Changes in net assets (in EUR)

	31/12/2018	29/12/2017
NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR	985 048 034.91	1 716 927 219.30
Subscriptions (including subscription fees paid to the Fund)	93 571 886.09	269 701 277.94
Redemptions (less redemption fees paid to the Fund)	-699 507 398.29	-1 012 158 897.03
Gains realized on deposits and financial instruments	33 374 620.09	71 110 343.44
Losses realized on deposits and financial instruments	-32 841 794.64	-44 829 421.70
Gains realized on forward financial instruments	50 873 531.82	84 673 697.98
Losses realized on forward financial instruments	-52 967 319.22	-74 893 048.10
Transaction fees	-3 109 241.85	-2 213 093.98
Foreign exchange differences	1 983 050.28	-23 415 095.77
Variations in the valuation difference of deposits and financial instruments	-30 348 210.39	-495 460.29
<i>Valuation difference for financial year N</i>	-13 657 359.23	16 690 851.16
<i>Valuation difference for financial year N-1</i>	-16 690 851.16	-17 186 311.45
Variations in the valuation difference of forward financial instruments	-2 361 432.95	-496 009.25
<i>Valuation difference for financial year N</i>	-2 784 068.52	-422 635.57
<i>Valuation difference for financial year N-1</i>	422 635.57	-73 373.68
Prior year distribution of net realized gains (losses)		
Prior year income distribution	-52 562.53	-612 990.95
Net earnings for the financial year before adjustments	158 866.78	1 749 513.32
Interim dividends paid during the year from net realized gains (losses)		
Interim dividends paid during the year from net income		
Other items		
NET ASSETS AT THE END OF THE FINANCIAL YEAR	343 822 030.10	985 048 034.91

BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Convertible bonds traded on a regulated or similar market	336 891 595.27	97.98
TOTAL BONDS AND SIMILAR SECURITIES	336 891 595.27	97.98
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES		
DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
TOTAL DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
TOTAL HEDGING TRANSACTIONS		
OTHER TRANSACTIONS		
Equities	20 550 829.14	5.98
TOTAL OTHER TRANSACTIONS	20 550 829.14	5.98

BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY TYPE OF RATE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities	336 891 595.27	97.98						
Debt securities								
Repurchase agreements								
Financial accounts							4 524 910.32	1.32
Liabilities								
Repurchase agreements								
Financial accounts							46.23	0.00
Off-balance sheet								
Hedging transactions								
Other transactions								

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY

	< 3 months	%	3 months - 1 year	%	1 - 3 years	%	3 - 5 years	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities	2 019 556.49	0.59	45 713 854.80	13.30	91 822 220.54	26.71	114 765 303.08	33.38	82 570 660.36	24.02
Debt securities										
Repurchase agreements										
Financial accounts	4 524 910.32	1.32								
Liabilities										
Repurchase agreements										
Financial accounts	46.23	0.00								
Off-balance sheet										
Hedging transactions										
Other transactions										

Interest rate futures are presented according to the maturity date of the underlying item.

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING CURRENCY OR VALUATION CURRENCY (non-Euro)

	Currency 1 CHF	%	Currency 2 USD	%	Currency 3 GBP	%	Currency N OTHER(S)	%
Assets								
Deposits								
Equities and similar securities								
Bonds and similar securities	15 991 534.86	4.65	59 647 306.28	17.35	30 420 153.00	8.85	7 149 055.62	2.08
Debt securities								
UCI								
Repurchase agreements								
Receivables	15 897 950.66	4.62	19 301 165.48	5.61	9 497 146.16	2.76	1 529 759.68	0.44
Financial accounts	357.16	0.00	2 437.41	0.00	680.70	0.00		
Liabilities								
Disposal transactions on financial instruments								
Repurchase agreements								
Payables	19 116 965.14	5.56	71 391 994.68	20.76	39 041 086.77	11.36	8 672 540.60	2.52
Financial accounts							46.18	0.00
Off-balance sheet								
Hedging transactions								
Other transactions								

RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	31/12/2018
Receivables	Forward currency purchases	46 216 851.67
	Funds to be received from forward currency sales	138 404 653.29
	Subscriptions to be received	5 335.43
	Coupons and dividends in cash	9 170.31
Total receivables		184 636 010.70
Payables	Forward currency sales	- 138 222 587.19
	Funds to be paid on forward currency purchases	- 46 187 077.93
	Redemptions to pay	- 138 547.67
	Management fees	- 198 892.20
	Collaterals	- 120 000.00
	Other payables	- 113 756.97
Total payables		- 184 980 861.96
Total payables and receivables		- 344 851.26

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
A-C (EUR) shares		
Shares subscribed during the financial year	23 995.128	42 556 473.13
Shares redeemed during the financial year	-194 656.130	-340 972 912.44
Balance of shares at the end of the financial year	123 628.832	
A-D (EUR) shares		
Shares subscribed during the financial year	138.718	148 902.55
Shares redeemed during the financial year	-53 829.511	-58 503 086.32
Balance of shares at the end of the financial year	2 202.000	
AH-D (GBP) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-930.000	-1 230 177.41
Balance of shares at the end of the financial year	662.000	
AH-C (CHF) shares		
Shares subscribed during the financial year	6 273.124	8 515 197.09
Shares redeemed during the financial year	-45 733.849	-61 687 515.94
Balance of shares at the end of the financial year	9 763.588	

EQUITY CAPITAL
Number of securities issued or redeemed

	In shares	In amount
AH-C (USD) shares		
Shares subscribed during the financial year	331.000	491 264.83
Shares redeemed during the financial year	-6 232.721	-9 537 230.41
Balance of shares at the end of the financial year	4 614.831	
AH-D (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-239.136	-347 888.93
Balance of shares at the end of the financial year	162.986	
U-C (EUR) shares		
Shares subscribed during the financial year	19 899.521	20 121 302.85
Shares redeemed during the financial year	-18 188.715	-18 090 471.08
Balance of shares at the end of the financial year	8 331.664	
U-D (EUR) shares		
Shares subscribed during the financial year	18 396.379	17 830 108.71
Shares redeemed during the financial year	-18 394.158	-17 407 173.85
Balance of shares at the end of the financial year	90.221	
Z-C (EUR) shares		
Shares subscribed during the financial year	2 999.000	3 908 636.93
Shares redeemed during the financial year	-82 259.000	-105 967 590.69
Balance of shares at the end of the financial year	86 872.000	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
A-C (EUR) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
<p>A-D (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-D (GBP) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (CHF) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-D (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>U-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>U-D (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
Z-C (EUR) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	

MANAGEMENT FEES

	31/12/2018
A-C (EUR) shares	
Guarantee commissions	
Fixed management fees	3 301 193.32
Percentage of fixed management fees	0.90
Variable management fees	
Retroceded management fees	
A-D (EUR) shares	
Guarantee commissions	
Fixed management fees	80 809.10
Percentage of fixed management fees	0.90
Variable management fees	
Retroceded management fees	
AH-D (GBP) shares	
Guarantee commissions	
Fixed management fees	14 376.82
Percentage of fixed management fees	0.90
Variable management fees	
Retroceded management fees	
AH-C (CHF) shares	
Guarantee commissions	
Fixed management fees	429 113.19
Percentage of fixed management fees	0.90
Variable management fees	
Retroceded management fees	

MANAGEMENT FEES

	31/12/2018
AH-C (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 107 869.94 0.90
AH-D (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 4 057.13 0.90
U-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 87 438.42 0.60
U-D (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 45 203.03 0.60
Z-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 163 693.60 0.10

COMMITMENTS RECEIVED AND GIVEN

	31/12/2018
Guarantees received by the fund - capital guarantees	
Other commitment received	
Other commitment given	

OTHER INFORMATION

Current value of securities subject to temporary acquisition

	31/12/2018
Securities provided under a repurchase agreement	
Borrowed securities	

Current value of securities making up guarantee deposits

	31/12/2018
Financial instruments given as guarantee and maintained in the original item	
Financial instruments received as guarantee and not posted to the balance sheet	

Financial instruments held, issued and/or managed by the Group

	Isin Code	Description	31/12/2018
Equities			
Bonds			
Negotiable debt securities			
UCI			
Derivative instruments			
Total group securities			

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
Amounts still to be allocated		
Retained earnings	19.09	390.16
Income	300 053.78	1 240 100.55
Total	300 072.87	1 240 490.71

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-377 640.40	-398 761.65
Total	-377 640.40	-398 761.65

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-4 075.54	-45 949.45
Total	-4 075.54	-45 949.45

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-1 533.57	-1 622.22
Total	-1 533.57	-1 622.22

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-22 785.60	-56 520.12
Total	-22 785.60	-56 520.12

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-11 954.13	-13 463.73
Total	-11 954.13	-13 463.73

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-402.83	-491.81
Total	-402.83	-491.81

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	10 628.32	21 259.41
Total	10 628.32	21 259.41

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
U-D (EUR) shares		
Allocation		
Distribution	109.17	271.04
Retained earnings for the financial year	0.11	0.68
Accumulation		
Total	109.28	271.72
Information relating to shares giving rights to distribution		
Number of shares	90.221	88.000
Unit distribution	1.21	3.08
Tax credits		
Tax credits attached to the distribution of income		

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	707 708.96	1 585 909.43
Total	707 708.96	1 585 909.43

	31/12/2018	29/12/2017
S-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation		149 469.39
Total		149 469.39

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
Amounts still to be allocated		
Accumulated undistributed net realized gain (loss)		
Net realized gain (loss) for the financial year	-11 564 260.63	27 747 874.58
Interim dividends paid during the financial year from net realized gains (losses)		
Total	-11 564 260.63	27 747 874.58

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-7 226 008.82	19 080 629.92
Total	-7 226 008.82	19 080 629.92

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-77 986.19	2 201 917.29
Total	-77 986.19	2 201 917.29

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-37 886.51	-19 176.25
Total	-37 886.51	-19 176.25

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-385 470.39	-3 926 275.58
Total	-385 470.39	-3 926 275.58

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	194 814.88	-743 771.31
Total	194 814.88	-743 771.31

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	6 673.18	-27 032.40
Total	6 673.18	-27 032.40

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-276 832.96	242 473.02
Total	-276 832.96	242 473.02

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
U-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-2 849.82	3 088.61
Total	-2 849.82	3 088.61

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-3 758 714.00	7 856 523.63
Total	-3 758 714.00	7 856 523.63

	31/12/2018	29/12/2017
S-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation		3 079 497.65
Total		3 079 497.65

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	2 665 299 256.78	2 812 004 522.15	1 716 927 219.30	985 048 034.91	343 822 030.10
UBAM CONVERTIBLES EUROPE 10-40 AC (EUR)					
Net assets in EUR	1 425 866 503.03	1 503 411 378.59	924 769 603.02	527 412 734.62	205 714 738.66
Number of securities	806 649.517	827 417.562	522 077.386	294 289.834	123 628.832
Unit net asset value in EUR	1 767.64	1 816.99	1 771.32	1 792.15	1 663.97
Unit capitalisation of net realised gain (loss) in EUR	3.77	-4.59	3.89	64.83	-58.44
Unit capitalisation in EUR from income	28.77	21.62	11.87	-1.35	-3.05
UBAM CONVERTIBLES EUROPE 10-40 AD (EUR)					
Net assets in EUR	61 441 919.17	87 107 928.15	101 465 072.07	60 694 327.72	2 220 137.63
Number of securities	55 428.377	77 624.217	93 915.217	55 892.793	2 202.000
Unit net asset value in EUR	1 108.49	1 122.17	1 080.39	1 085.90	1 008.23
Unit capitalisation of net realised gain (loss) in EUR	2.54	-3.16	2.53	39.39	-35.41
Unit capitalisation in EUR from income				-0.82	-1.85
Unit distribution in EUR from income	18.14	13.45	7.29		
Unit retained earnings in EUR from income					
Unit tax credits in EUR					
UBAM CONVERTIBLES EUROPE 10-40 AHD (GBP)					
Net assets in GBP	4 772 485.00	4 796 580.59	2 411 725.37	1 911 606.37	744 113.51
Number of securities	3 983.947	3 934.160	2 036.968	1 592.000	662.000
Unit net asset value in GBP	1 197.92	1 219.21	1 183.97	1 200.75	1 124.03
Unit capitalisation of net realised gain (loss) in EUR	79.78	146.51	-220.15	-12.04	-57.23
Unit capitalisation in EUR from income				-1.01	-2.31
Unit distribution in EUR from income	24.21	19.69	10.00		
Unit retained earnings in EUR from income					
Unit tax credits in EUR					

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	2 665 299 256.78	2 812 004 522.15	1 716 927 219.30	985 048 034.91	343 822 030.10
UBAM CONVERTIBLES EUROPE 10-40 AHC (CHF)					
Net assets in CHF	339 795 771.12	227 498 286.94	135 365 662.45	78 754 797.81	14 402 066.40
Number of securities	210 873.714	138 542.104	85 044.866	49 224.313	9 763.588
Unit net asset value in CHF	1 611.37	1 642.08	1 591.69	1 599.91	1 475.07
Unit capitalisation of net realised gain (loss) in EUR	23.49	143.75	-10.44	-79.76	-39.48
Unit capitalisation in EUR from income	21.58	17.85	9.84	-1.14	-2.33
UBAM CONVERTIBLES EUROPE 10-40 AHC (USD)					
Net assets in USD	172 042 467.99	167 352 866.42	31 655 067.31	19 103 798.68	7 980 090.70
Number of securities	99 135.873	93 828.114	17 957.261	10 516.552	4 614.831
Unit net asset value in USD	1 735.42	1 783.61	1 762.80	1 816.54	1 729.22
Unit capitalisation of net realised gain (loss) in EUR	130.10	162.91	94.97	-70.72	42.21
Unit capitalisation in EUR from income	21.22	18.76	10.58	-1.28	-2.59
UBAM CONVERTIBLES EUROPE 10-40 AHD (USD)					
Net assets in USD	1 986 992.73	2 515 955.73	2 295 788.11	697 033.92	268 912.08
Number of securities	1 163.002	1 450.720	1 356.122	402.122	162.986
Unit net asset value in USD	1 708.50	1 734.28	1 692.90	1 733.38	1 649.90
Unit capitalisation of net realised gain (loss) in EUR	128.06	160.97	91.31	-67.22	40.94
Unit capitalisation in EUR from income				-1.22	-2.47
Unit distribution in EUR from income	21.02	18.35	10.24		
Unit retained earnings in EUR from income					
Unit tax credits in EUR					

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

**TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING
THE LAST FIVE FINANCIAL YEARS**

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	2 665 299 256.78	2 812 004 522.15	1 716 927 219.30	985 048 034.91	343 822 030.10
UBAM CONVERTIBLES EUROPE 10-40 UC (EUR)					
Net assets in EUR	2 076 309.23	64 928 922.55	56 577 485.91	6 727 195.69	7 883 802.37
Number of securities	2 096.599	63 528.000	56 557.808	6 620.858	8 331.664
Unit net asset value in EUR	990.32	1 022.05	1 000.34	1 016.06	946.24
Unit capitalisation of net realised gain (loss) in EUR	-10.91	-2.56	2.16	36.62	-33.22
Unit capitalisation in EUR from income	12.05	16.28	10.62	3.21	1.27
UBAM CONVERTIBLES EUROPE 10-40 UD (EUR)					
Net assets in EUR	981.34	46 084.39	22 180.55	85 291.22	81 173.45
Number of securities	1.000	46.000	23.000	88.000	90.221
Unit net asset value in EUR	981.34	1 001.83	964.37	969.21	899.71
Unit capitalisation of net realised gain (loss) in EUR	-6.24	-2.68	2.32	35.09	-31.58
Unit distribution in EUR from income	11.54	16.08	10.43	3.08	1.21
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*
UBAM CONVERTIBLES EUROPE 10-40 ZC (EUR)					
Net assets in EUR	636 871 639.98	684 668 585.47	384 308 555.63	218 837 784.99	107 105 707.80
Number of securities	502 075.000	520 911.000	297 545.000	166 132.000	86 872.000
Unit net asset value in EUR	1 268.47	1 314.36	1 291.59	1 317.25	1 232.91
Unit capitalisation of net realised gain (loss) in EUR	2.63	-3.26	2.75	47.29	-43.26
Unit capitalisation in EUR from income	30.53	26.21	18.74	9.54	8.14

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	2 665 299 256.78	2 812 004 522.15	1 716 927 219.30	985 048 034.91	343 822 030.10
UBAM CONVERTIBLES EUROPE 10-40 SC (EUR)					
Net assets in EUR	106 976 443.82	99 311 164.86	88 708 567.91	85 325 508.99	
Number of securities	81 753.782	73 650.022	67 315.022	63 836.022	
Unit net asset value in EUR	1 308.51	1 348.42	1 317.81	1 336.63	
Unit capitalisation of net realised gain (loss) in EUR	2.77	-3.39	2.86	48.24	
Unit capitalisation in EUR from income	24.49	19.44	12.06	2.34	

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
ADIDAS AG 0.05% 12-09-23 CV	EUR	2 400 000	2 496 467.51	0.73
BASF 0.925% 09-03-23 EMTN	USD	5 000 000	3 965 192.86	1.15
BAYER 0.05% 15-06-20	EUR	2 600 000	2 585 249.45	0.75
DEUTSCHE POST AG 0.05% 30-06-25	EUR	8 100 000	7 744 724.01	2.25
DEUTSCHE WOHNEN AG 0.325% 26-07-24	EUR	1 900 000	2 039 922.77	0.59
DEUTSCHE WOHNEN AG 0.6% 05-01-26	EUR	7 500 000	7 964 978.42	2.31
FRESEN 0% 24/09/2019	EUR	5 900 000	6 172 049.00	1.80
FRESENIUS SE ZCP 31-01-24	EUR	5 000 000	4 773 850.00	1.39
HANI FINA DEUT ZCP 12-05-20 CV	EUR	4 800 000	4 732 224.00	1.38
LEG IMMOBILIEN AG 0.875% 01-09-25	EUR	600 000	643 870.34	0.19
RAG STIFTUNG ZCP 02-10-24 CV	EUR	2 900 000	2 765 527.00	0.80
RAG STIFTUNG ZCP 16-03-23	EUR	2 900 000	2 851 541.00	0.83
RAG STIFTUNG ZCP 18-02-21 CV EMTN	EUR	2 900 000	2 888 574.00	0.84
SYMRISE AG 0.2375% 20-06-24	EUR	900 000	957 160.66	0.28
TOTAL GERMANY			52 581 331.02	15.29
AUSTRIA				
CA IMMOBILIEN ANLAGEN 0.75% 04-04-25	EUR	4 100 000	4 583 041.50	1.33
IMMOFINANZ AG 2.0% 24-01-24	EUR	4 500 000	5 128 824.13	1.49
TOTAL AUSTRIA			9 711 865.63	2.82
BELGIUM				
BEKAERT ZCP 09-06-21	EUR	2 400 000	2 102 016.00	0.61
COFINIMMO SA 0.1875% 15-09-21	EUR	28 817	4 132 962.96	1.20
ECONOCOM GROUP 0.5% 06-03-23	EUR	193 393	1 233 267.16	0.36
TOTAL BELGIUM			7 468 246.12	2.17
DENMARK				
GN GREAT NORDIC LTD AS ZCP 31-05-22	EUR	1 600 000	1 762 976.00	0.51
TOTAL DENMARK			1 762 976.00	0.51
UNITED ARAB EMIRATES				
AABAR 0.5% 27-03-20 EMTN	EUR	3 700 000	3 405 715.29	0.99
AABAR 1.0% 27-03-22 EMTN	EUR	4 200 000	3 491 490.17	1.02
TOTAL UNITED ARAB EMIRATES			6 897 205.46	2.01
SPAIN				
CELLNEX TELECOM 1.5% 16-01-26 CV	EUR	4 500 000	4 686 067.50	1.36

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
CO ECONIMICA DELTA SA 1.0% 01-12-23	EUR	3 500 000	3 417 493.08	0.99
INTL CONS AIR 0.25% 17-11-20	EUR	3 500 000	3 452 311.05	1.00
INTL CONSOLIDATED AIRLINES GROU 0.625% 17-11-22	EUR	3 500 000	3 402 425.12	0.99
TELE ZCP 09-03-21 EMTN	EUR	5 200 000	5 132 348.00	1.50
TOTAL SPAIN			20 090 644.75	5.84
USA				
JPMORGAN CHASE BANK N A ZCP 11-01-21	USD	1 400 000	1 147 248.03	0.33
MORGAN STANLEY FINANCE LLC ZCP 17-12-21 CV	EUR	3 400 000	3 345 753.00	0.97
NATL GRI 0.9% 02-11-20 EMTN	GBP	4 100 000	4 508 090.72	1.32
TOTAL USA			9 001 091.75	2.62
FINLAND				
OUTOKUMPU OYJ 3.25% 26-02-20	EUR	4 800 000	4 839 316.70	1.41
TOTAL FINLAND			4 839 316.70	1.41
FRANCE				
ARCHER OBLIGATIONS ZCP 31-03-23	EUR	5 100 000	6 090 318.00	1.76
CA ZCP 03-10-19	EUR	69 524	5 026 376.63	1.46
CARREFOUR ZCP 14-06-23	USD	3 200 000	2 357 016.59	0.69
CARREFOUR ZCP 27-03-24 CV	USD	6 800 000	5 207 790.39	1.51
CIE GEN DES ETS MICHELIN ZCP 10-01-22	USD	6 800 000	5 421 767.69	1.58
CIE GEN DES ETS MICHELIN ZCP 10-11-23	USD	3 800 000	2 781 135.37	0.81
ELIS EX HOLDELIS ZCP 06-10-23	EUR	187 310	5 462 896.15	1.59
INGENICO ZCP 26/06/22 CV	EUR	19 076	3 070 186.82	0.89
KORIAN SA 2.5% PERP CV	EUR	36 937	1 524 500.80	0.44
MAISON DU MONDE SAS 0.125% 06-12-23	EUR	120 686	4 951 867.27	1.44
NEOP FRAN S 3.375% PERP CV	EUR	90 043	4 986 131.13	1.45
NEX 0.125% 01-01-23 CV	EUR	72 558	4 635 948.29	1.35
NEXANS 2.5% 01/01/19 CV	EUR	27 134	2 019 556.49	0.59
NEXITY 0.25% 02-03-25 CV	EUR	34 910	2 219 647.62	0.65
ORANGE 0.375% 27-06-21	GBP	4 500 000	4 880 120.87	1.42
REMY COIN 0.125% 07-09-26	EUR	5 900	735 334.70	0.21
SAFRAN SA ZCP 21-06-23 CV	EUR	28 980	4 314 861.18	1.25
SOITEC SA ZCP 28-06-23 CV	EUR	26 858	2 474 132.10	0.72
SUEZ ZCP 27-02-20 CV	EUR	169 982	3 114 750.17	0.91
UNIB RODA SE ZCP 01-07-21 CV	EUR	15 978	4 601 056.84	1.34
UNIBAIL RODAMCO ZCP 01/01/22	EUR	13 513	4 610 230.21	1.34
VALE ELEC ET ZCP 16-06-21 EMTN	USD	3 200 000	2 504 775.55	0.73

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
VALLOUREC 4.125% 04-10-22 CV	EUR	194 778	887 408.57	0.26
VEOL ENVI ZCP 15-03-21	EUR	123 983	3 702 256.36	1.08
WEND ZCP 31-07-19 EMTN	EUR	55 990	2 910 304.21	0.85
TOTAL FRANCE			90 490 370.00	26.32
CAYMAN ISLANDS				
SIEM INDU 2.25% 02-06-21	EUR	400 000	450 835.21	0.13
TOTAL CAYMAN ISLANDS			450 835.21	0.13
ITALY				
BENI STABILI 0.875% 31-01-21	EUR	700 000	709 113.47	0.21
ENI ZCP 13-04-22 EMTN	EUR	2 800 000	2 899 008.00	0.84
PRYSMIAN ZCP 17-01-22	EUR	3 500 000	3 200 120.00	0.93
SNAM ZCP 20-03-22	EUR	7 600 000	7 588 524.00	2.21
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	EUR	5 800 000	5 466 016.61	1.59
TOTAL ITALY			19 862 782.08	5.78
JERSEY				
BRITISH LAND 0% 09-06-20	GBP	3 100 000	3 327 025.37	0.96
INTU JERSEY 2 LIMITED 2.875% 01-11-22	GBP	2 400 000	2 266 397.20	0.66
PT JERSEY 0.5% 19-11-19 CV	EUR	1 700 000	1 657 306.95	0.48
REMG JERS 2.625% 22-03-21 CV	GBP	2 200 000	2 393 330.16	0.70
TULL OIL J 6.625% 12-07-21 CV	USD	2 200 000	2 149 522.49	0.63
TOTAL JERSEY			11 793 582.17	3.43
LUXEMBOURG				
CITI GLO 0.5% 04-08-23 EMTN	EUR	5 000 000	5 547 397.22	1.61
CORESTATE CAPITAL HOLDING 1.375% 28-11-22	EUR	5 500 000	5 182 195.72	1.51
GRAN CITY PRO 0.25% 02-03-22	EUR	400 000	417 039.78	0.12
TOTAL LUXEMBOURG			11 146 632.72	3.24
MEXICO				
AMERICA MOVIL SAB DE ZCP 28-05-20	EUR	14 300 000	14 102 803.00	4.10
TOTAL MEXICO			14 102 803.00	4.10
NORWAY				
TELE 0.25% 20-09-19 CV EMTN	USD	8 600 000	7 325 985.74	2.13
TOTAL NORWAY			7 325 985.74	2.13
NETHERLANDS				
BE SEMICONDUCTOR INDUSTRIES NV 0.5% 06-12-24	EUR	1 000 000	784 575.00	0.23
BREN FINA BV 1.875% 02-12-22	USD	3 500 000	2 823 929.46	0.82
FUGRO NV 4.0% 26-10-21	EUR	2 100 000	1 759 595.08	0.51

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
IBERDROLA INTERNATIONAL BV ZCP 11-11-22 CV	EUR	1 200 000	1 238 424.00	0.36
QIAGEN NV 0.5% 13-09-23	USD	2 200 000	2 003 840.27	0.58
QIAGEN NV 1.0% 13-11-24 CV	USD	3 000 000	2 605 359.54	0.76
SIEM FINA 1.65% 16-08-19	USD	7 500 000	6 847 068.78	1.99
STMICROELECTRONICS NV ZCP 03-07-22	USD	1 800 000	1 577 853.28	0.46
STMICROELECTRONICS NV 0.25% 03-07-24	USD	8 400 000	7 343 874.24	2.14
WERELDHAVE NV 1.0% 22/05/2019 CV	EUR	1 300 000	1 309 009.29	0.38
TOTAL NETHERLANDS			28 293 528.94	8.23
PORTUGAL				
SONA INVE 1.625% 11-06-19 CV	EUR	1 300 000	1 301 672.82	0.38
TOTAL PORTUGAL			1 301 672.82	0.38
UNITED KINGDOM				
INMARSAT 3.875% 09-09-23	USD	3 800 000	3 584 946.00	1.04
J SAINSBURY 1.25% 21-11-19	GBP	5 200 000	6 015 025.76	1.76
J SAINSBURY 2.875% PERP CV	GBP	1 000 000	1 174 936.15	0.34
VOD 0 11/26/20	GBP	5 400 000	5 855 226.77	1.70
TOTAL UNITED KINGDOM			16 630 134.68	4.84
SWEDEN				
INDUSTRIVARDEN AB ZCP 15/05/2019 CV	SEK	26 000 000	2 768 401.14	0.81
SAS 3.625% 01/04/2019	SEK	44 000 000	4 380 654.48	1.27
TOTAL SWEDEN			7 149 055.62	2.08
SWITZERLAND				
SIKA AG 0.15% 05-06-25 CV	CHF	13 420 000	12 134 884.26	3.52
SWIS PRIM SIT 0.25% 16-06-23	CHF	1 500 000	1 290 990.40	0.38
SWISS PRIME SITE AG 0.325% 16-01-25	CHF	3 025 000	2 565 660.20	0.75
TOTAL SWITZERLAND			15 991 534.86	4.65
TOTAL Bonds & similar sec traded on reg mkt or similar			336 891 595.27	97.98
TOTAL Bonds and similar securities			336 891 595.27	97.98
Derivative instruments				
Options				
Options on regulated or similar markets				
DEUTSCHE POST NAMEN 12/2020 CALL 44	EUR	4 858	19 432.00	0.01
DJ EURO STOXX 50 12/2019 CALL 3100	EUR	1 270	1 322 070.00	0.39
SIEMENS AG-REG 06/2019 CALL 120	EUR	560	15 120.00	
TOTAL 12/2022 CALL 50	EUR	2 300	876 300.00	0.25

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or J nominal	Current value	% Net Assets
VINCI (EX SGE) 12/2021 CALL 80	EUR	900	517 500.00	0.15
TOTAL Options on regulated or similar markets			2 750 422.00	0.80
TOTAL Options			2 750 422.00	0.80
TOTAL Derivative instruments			2 750 422.00	0.80
Receivables			184 636 010.70	53.70
Payables			-184 980 861.96	-53.80
Financial accounts			4 524 864.09	1.32
Net assets			343 822 030.10	100.00

UBAM CONVERTIBLES EUROPE 10-40 AC (EUR)	EUR		123 628.832	1 663.97
UBAM CONVERTIBLES EUROPE 10-40 AD (EUR)	EUR		2 202.000	1 008.23
UBAM CONVERTIBLES EUROPE 10-40 AHD (GBP)	GBP		662.000	1 124.03
UBAM CONVERTIBLES EUROPE 10-40 AHC (CHF)	CHF		9 763.588	1 475.07
UBAM CONVERTIBLES EUROPE 10-40 AHC (USD)	USD		4 614.831	1 729.22
UBAM CONVERTIBLES EUROPE 10-40 AHD (USD)	USD		162.986	1 649.90
UBAM CONVERTIBLES EUROPE 10-40 UC (EUR)	EUR		8 331.664	946.24
UBAM CONVERTIBLES EUROPE 10-40 UD (EUR)	EUR		90.221	899.71
UBAM CONVERTIBLES EUROPE 10-40 ZC (EUR)	EUR		86 872.000	1 232.91

Additional information relating to the coupon tax system

SHARE COUPON BREAKDOWN: U-D (EUR)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source	109.17	EUR	1.21	EUR
Shares giving a right to a reduction and subject to a compulsory tax withheld at source				
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	109.17	EUR	1.21	EUR

Information concerning investments and management

- **LEGAL FORM**

UBAM CONVERTIBLES Sub-fund, SICAV under French law.

- **ALLOCATION OF DISTRIBUTABLE INCOME**

Shares	Allocation of distributable income
AC (EUR)	Accumulation of distributable income
AD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (CHF)	Accumulation of distributable income
AHC (USD)	Accumulation of distributable income
AHD (USD)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (SEK)	Accumulation of distributable income
AHD (SEK)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AXC (USD)	Accumulation of distributable income
UC (EUR)	Accumulation of distributable income
UD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (GBP)	Accumulation of distributable income
UHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (CHF)	Accumulation of distributable income
UHD (CHF)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (USD)	Accumulation of distributable income
UHD (USC)	Distribution and/or carried forward and/or accumulation of net income and realised gains
ZC (EUR)	Accumulation of distributable income
ZD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
SC (EUR)	Accumulation of distributable income

- **MANAGEMENT OBJECTIVE**

The management objective is to enable the investor to benefit from the specific risk/return ratio of international convertible bonds. Convertible bonds have an asymmetric risk/return profile (all other things being equal, for a given variation in the underlying securities, upside participation is greater than downside participation). However, a convertible bond usually has a lower yield than a normal bond issued by the same issuer.

This specific risk/return ratio may be altered by the fluctuations in interest rates, credit spreads and implied volatility.

- **BENCHMARK INDICATOR**

The sub-fund is not linked to any benchmark index or financial market index.

Management policy is based on a fundamental and discretionary management of asset allocation and the selection of convertible bonds or equivalent securities, which makes comparison with any specific benchmark index inappropriate.

However, for information purposes, the sub-fund's performance can be measured against the Thomson Reuters Convertible Global Indices Hedged (EUR) Index (Ticker UCBIFX13 Index), coupons and/or dividends reinvested.

Thomson Reuters Convertible Global Indices Hedged (EUR) is an international convertible bonds index. The performance of the index is based on the stripped coupons of the convertible bonds which make up the index.

- **INVESTMENT STRATEGY**

1. Strategies used

The management policy is based on fundamental and discretionary management of the asset allocation and on a selection of convertible or equivalent bonds in compliance with the exposure limits.

The investment process comprises five stages:

- 1- Filtering of the universe taking into consideration the liquidity and size of the issue in order to eliminate less liquid securities. Liquidity changes depending on market conditions;
- 2- An assessment of the credit quality of the issuer and an estimation of the implied volatility of the convertible bond, exchangeable, indexed, or redeemable in an international equity, in order to position the relative cost of each convertible bond within its universe and in relation to other available implied volatilities (options, etc);
- 3- Analysis of the underlying stock and its earnings prospects;
- 4- Consolidation of the individual data and construction of the portfolio;
- 5- In accordance with the managers' expectations, positioning and overall management of the exposure to equities, interest rates and credit.

The exposure of the sub-fund to equity risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market trends.

Therefore the equity exposure of the portfolio may vary significantly over time, insofar as the equity exposure measures the performance of a convertible compared to a variation of 1% in its underlying equity. For example, when the underlying equity increases by 1% and the convertible by 0.45% then the equity sensitivity of the convertible will be 45% (0.45%/1%). The equity sensitivity of the sub-fund is mostly balanced by the sensitivity weighting of each line.

The sub-fund's sensitivity to interest-rate risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market fluctuations.

Thus sensitivity may change significantly over time.

The sub-fund's sensitivity to credit risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market.

The credit spreads, i.e. the difference between the yield to maturity of the security and the swap rate for an equivalent duration, may change significantly over time.

- Positions taken on the credit derivatives market

The manager may take positions in the French and foreign regulated futures markets in order to expose and/or hedge the portfolio to/against the indices of the investment zone or to the underlying securities in order to pursue the investment objective and to take advantage of market variations.

The sub-fund may be exposed to the equity markets, with a target exposure of between 10% and 70% of its net assets (due to the nature of convertible bonds and the investment process).

The exchange rate risk of the sub-fund's portfolio will be systematically hedged. This hedging may include indirect exchange risk (the case of a security denominated in a currency whose underlying risk is in another currency). The objective of the hedging is to have a direct exposure which is less than 10% of its net assets.

For all classes of shares (with the exception of AXC (USD) shares) denominated in a currency other than the Euro, the exchange rate risks of the currency of the share compared to the benchmark of the sub-fund will be systematically hedged. However, in view of the technical difficulties of carrying out this hedging, the classes of shares denominated in a currency other than the Euro may possibly be exposed to some minor exchange rate risk, due to changes in the value of liabilities (subscriptions/redemptions) or assets (change in the value of assets hedged).

All the costs and risks resulting from exchange rate hedging transactions will be charged respectively to the classes of shares denominated in a currency other than the Euro.

For the AXC (USD) share class, the hedging of exchange rate risk shall be neutralised to a minimum of 90% and this share class will tolerate an exchange rate risk towards the main currencies corresponding to the financial instruments in the portfolio. However, due to the technical difficulties involved, complete neutralisation of exchange rate risk hedging cannot be guaranteed. All the costs and risks resulting from the neutralisation of exchange rate risk shall be at the charge of the AXC (USD) share class.

The general sensitivity range to interest rates of the sub-fund shall be between 0 and 6.

2. Assets

Convertible bonds:

The sub-fund invests at all times at least two thirds of its net assets in convertible bonds and/or equivalent securities:

- bonds exchangeable into shares and/or
- bonds redeemable in shares and/or
- bonds with subscription warrants and/or
- bonds indexed on shares and/or
- any other types of securities included in convertible indices such as securities which may be considered as shares under local law (mandatory convertibles, Preferred Convertibles, Mandatory Convertibles Preferred shares, Mandatory Convertibles Preferred stocks, Mandatory Exchangeable Bonds, Convertible Perpetual Preferred Stock etc).

of any investment rating or non-rated, according to the manager's analyses, including emerging countries, up to a maximum of 50% of the sub-fund's net assets.

Therefore the sub-fund may be exposed to High Yield securities also called speculative. In addition and notwithstanding the above, the sub-fund may invest in all securities which are included in the reference index.

The sub-fund will not use contingent convertible bonds ("CoCos"), which are subordinated debt issued by credit institutions and insurance or reinsurance companies, which are eligible for their own regulatory capital and which are convertible into equity, the nominal of which can be reduced (a mechanism called "write down") where a "trigger event" occurs, as defined in the prospectus of the debt security concerned.

Debt securities and money market instruments and bonds:

The sub-fund may also be exposed to negotiable debt instruments, bonds, **whatever their maturity or the issuer's rating** (based on the manager's analyses), as a driver of performance as well as for cash management.

Equities:

Apart from preferred shares, the sub-fund may invest up to 10% of its net assets in equities, whatever their market capitalisation or geographical area. These equities may result from either a conversion or a swap.

Investment in shares of other UCITS, AIFs (Alternative Investment Fund) or foreign investment funds:

In order to achieve its management objective or to manage its cash flow, the sub-fund may invest up to 10% of its net assets in shares of harmonised French or European UCITS or in AIFs and other investment funds which respect the four criteria as defined by article R.214-13 of the Financial and Monetary Code, of any classification. They may be managed by UBI or other management companies.

When the sub-fund invests in the units of UCITS or AIFs or eligible investment funds managed directly or indirectly by UBI or by a company to which it is linked through common management or common control or through a direct or indirect shareholding of more than 10% of the capital or votes, no subscription or redemption fee may be charged to the sub-fund for investment in these UCITS or AIFs or eligible investment funds, with the exception of the commissions retained by the UCITS or AIFs or eligible investment funds.

For investments made by the sub-fund in a UCITS or AIF or eligible investment funds linked to UBI as described above, there will not be any duplication of the management fees invoiced by UBI and the UCITS or the AIF or any other eligible investment fund concerned. Accordingly the manager shall invest in units/shares of Group UCITS, AIFs or other eligible investment funds without incurring financial management fees. In default of this, the assets invested in Group UCITS and/or AIFs or other eligible investment funds shall be deducted from the base of management fees charged by the management company.

Securities' Markets and Stock Exchanges:

You are reminded that the Fund may invest in any eligible financial security or money market instrument traded on a regulated market or other regulated market situated in an EU state or a state which is party to the European Economic Area agreement, or officially listed on a stock market of a third country to the European Union or European Economic Area, or traded on another market of a third country according to the conditions laid down in Article R.214-11 of the Monetary and Financial Code.

Accordingly, the management company does not exclude any stock or securities market in Europe, the Middle East, Africa, Americas, Asia, Pacific. The securities in the portfolio may therefore be issued under any law, including securities issued under the regulations known as REG S or 144A, in respect of the investment strategy of the above sub-fund.

3. Derivative instruments

The sub-fund may take positions in forward financial instruments traded on regulated markets in France and abroad, and conduct over-the-counter transactions on financial instruments, including interest-rate or currency swaps, without seeking overexposure.

In this context the manager may take positions in order to expose and/or hedge the portfolio on the equity market indices or interest rate derivative instruments of the investment zone or to the underlying securities in order to pursue the management objective, take advantage of market variations and generally to manage the portfolio's exposure to equity, bond and interest-rate markets (cf. investment process above).

➤ Markets invested in:

- French and foreign regulated futures and options markets,
- organised markets,
- over-the-counter markets.

➤ Risks to which the manager seeks exposure:

- interest rates,
- equities and similar securities,
- market indices,
- foreign exchange,
- credit.

➤ Instruments used for both exposure and hedging:

- interest rate swaps,
- currency swaps,
- futures,
- options,
- Credit Default Swaps (“CDS”)
- CDS on indices,
- CDS options and CDS indices.

The sub-fund will not use Total Return Swaps (TRS).

4. Securities with embedded derivatives (up to 100% of net assets)

The sub-fund may use securities such as convertible bonds and similar securities with embedded derivatives of the type mentioned in paragraph “2. Assets”, up to the limit of 100% of net assets.

The strategy for use of securities with embedded derivatives is the same as that described for the use of derivative instruments.

The sub-fund will not use contingent convertible bonds (« Cocos »).

5. Cash deposits

The sub-fund may make cash deposits in order to optimize its cash flow management.

6. Cash borrowings

It is not the aim of the sub-fund to borrow cash but it may find itself in the position of debtor owing to transactions linked to its cash flow (ongoing investments and disinvestments, subscription/redemption operations, etc.) within a limit of 10% of the net assets.

7. Sale and repurchase agreements

It is not the aim of the sub-fund to use these types of transactions.

• FINANCIAL GUARANTEES

For transactions on derivative instruments, the sub-fund may receive or provide financial guarantees such as margin or guarantee deposit calls which are paid either in cash or financial securities.

• RISK PROFILE

The prices of convertible bonds are subject to a number of influences:

- the general level of interest rates – **Interest-rate risk**
- the price of the underlying equity – **Equity risk**
- the level of the issuer’s credit risk – **Credit risk**
- volatility of the conversion option – **Volatility risk**
- level of foreign currencies, be it that of the issuing currency or that of the underlying equity – **Exchange rate risk**

The level of the different risks varies greatly over time.

Furthermore the general level of the markets has a significant influence on all these parameters.

Capital loss risk:

The sub-fund carries no guarantee or protection and the capital initially invested may not be returned.

Interest-rate risk:

Due to its composition, the sub-fund may be subject to interest rate risk. This risk results from the fact that in general debt securities and bonds fall in price when interest rates rise. The investor in bonds or other fixed income securities may suffer negative performances following fluctuations in the level of interest rates.

Equity risk:

Your investment may be subject to a maximum 70% exposure to the equity market, because of the inherent nature of convertibles and our investment process. A fall in the equity markets can cause a fall in the net asset value.

Credit risk:

Credit risk is the potential risk of decline in the credit rating of the issuer which will have a negative impact on the price of the security and therefore on the net asset value. Credit risk also results when the issuer of a bond is not able to repay the loan and to make interest payments on the dates provided for in the contract.

Volatility risk:

Given an investment strategy consisting mainly of investments in convertible bonds, the net asset value is liable to vary with changes in the value of the conversion option (i.e. the possibility of converting the bond into a share).

These risks result in the fact that the performance of the sub-fund does not depend solely on the market trends; it is therefore possible that the value of the assets may fall at a time when the stock markets are rising.

Liquidity risk:

In case of a significant increase in risk aversion, or due to troubled markets, the bid-ask spread may widen significantly. This widening may result in a more marked fall in the net asset value, mainly when the sub-fund has to deal with redemptions. This risk may affect convertible bonds and similar securities which are mainly traded in over-the-counter markets.

Risk associated with investment in high yield securities:

There is a credit risk which applies to securities labelled "Speculative" which present a higher probability of default than those of "Investment Grade". They offer higher levels of yield in compensation, but may, in the case of a downgrade in the rating, reduce significantly the net asset value.

Risk associated with investment in emerging markets:

Investor attention is drawn to the conditions of operation and supervision of these markets, which may deviate from the standards in place on the major international markets. Downward movements on these markets may therefore cause a faster and more marked fall in the net asset value.

Counterparty risk:

Counterparty risk represents the risk of failure of a counterparty (particularly a banking establishment) leading to a default in payment. Any such default in payment by a counterparty may lead to a fall in the net asset value.

Risk associated with the use of derivatives:

The sub-fund is exposed to the risk of derivative products, mainly due to the possibility of it being hedged or exposed to various markets via futures. The use of derivative products may therefore increase or reduce the sensitivity of the sub-fund to either upwards or downwards market movements.

Exchange rate risk:

Risk associated with assets or classes of shares which may be denominated in currencies other than the currency of the sub-fund (Euro). The sub-fund or class of share concerned is subject to the fluctuation of exchange rates between the currency of the sub-fund and these other currencies. If the currency of a share class or a security appreciates compared to the currency of the sub-fund, its value will increase. On the other hand, a depreciation of this same currency will lead to a loss in the value of the security or of the class of shares concerned and will be reflected in the Net Asset Value.

Risk associated with investments in China:

Risk associated with investments in China: regarding its exposure to emerging markets, the fund may invest directly on the domestic Chinese market or indirectly through associated markets. Through its investments in China the fund is exposed particularly to political and social risks (sensitivity to political developments, social instability, etc), economic risks (government intervention, exchange rate controls, etc), legal and regulatory risks (experimental measures, recent or non-verified, asset sequestration measures, discretion in the interpretation of measures, etc) and to market risk (volatile and unstable market, risk of sudden listing suspension, etc).

In addition, the fund is exposed to the risk associated with its RQFII licence and status attributed in 2015 to Union Bancaire Gestion Institutionnelle (France) SAS for the account of funds managed by management companies within the Group. This status is recent and in constant evolution. It is subject to the discretion of the Chinese authorities and may at any time be reviewed, reduced or withdrawn, which may affect the net asset value of the fund. Finally the fund is exposed to the risk associated with investments carried out via the Hong Kong Shanghai Connect Platform (Stock Connect) which allows investment on the Hong Kong market in over 500 securities listed in Shanghai. This system, due to its structure, has higher counterparty and security delivery risks. The fund will limit its exposure to the domestic Chinese market to 10% of its net assets (not including off-shore markets such as Hong-Kong).

- **SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE**

Subscribers concerned:

Shares	Subscribers concerned
AC (EUR)	All subscribers
AD (EUR)	All subscribers
AHD (GBP)	All subscribers
AHC (CHF)	All subscribers
AHC (USD)	All subscribers
AHD (USD)	All subscribers
AHC (SEK)	All subscribers
AHD (SEK)	All subscribers
AXC (USD)	All subscribers
UC (EUR)	Reserved to investors defined below
UD (EUR)	Reserved to investors defined below
UHC (GBP)	Reserved to investors defined below
UHD (GBP)	Reserved to investors defined below
UHC (CHF)	Reserved to investors defined below
UHD (CHF)	Reserved to investors defined below
UHC (USD)	Reserved to investors defined below
UHD (USD)	Reserved to investors defined below
ZC (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
ZD (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
SC (EUR)	Reserved to Israeli institutional investors

The attention of subscribers is drawn to the information relating to non-authorised investors mentioned in the general characteristics.

In accordance with the RQFII regulation, subscriptions from citizens of the People's Republic of China are not authorised in the sub-fund.

Typical investor profile:

The sub-fund's shares are aimed at clients who wish to benefit from the positive or negative performance of international convertible bonds.

Type A share class is available to all subscribers.

Type U share class is only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:

- portfolio management services; or
- independent investment advisory services;
- similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

It is the responsibility of each investor to correctly assess his personal situation and to invest in the appropriate share class or unit according to the definition of each share class or unit.

Type Z share class is aimed at mutual funds, AIFs or other investment funds and institutional investors, who have a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group.

Type S share class is aimed at Israeli institutional investors.

Type C share class is aimed at clients who wish to benefit from the accumulation of distributable income.

Type D share class is aimed at clients who wish to benefit from the distribution and/or carried forward and/or accumulation of distributable income.

Type H share class is aimed at clients who wish to benefit from the systematic hedging of the exchange rate risk between the currency of the share class and the benchmark currency of the sub-fund.

Type AXC (USD) share class is aimed at clients who wish to benefit from the neutralisation of this exchange rate risk hedging.

The amount it is reasonable to invest in this sub-fund depends on the personal situation of each individual investor. To determine a reasonable amount, personal wealth, current needs and the recommended three-year duration of the investment need to be taken into account; however, attention must also be paid to willingness to take risks, because of the inherent volatility of the equity markets, and the dynamic strategy of the sub-fund.

It is also recommended that investments be sufficiently diversified so as not to expose them solely to the risks of a single UCI or sub-fund of a UCI.

Recommended investment horizon: 3 years.

Management Report

2018: the wide spread between economic performances and equity markets

Global growth was strong in 2018 (3.8%), but there were disparities between the various regions and a general slowdown occurred towards the end of the year. The economic situation during the course of the year was marked by trade war fears between the US and its many partners, by specific tensions between Washington and Beijing and by regular interest rate increases from the Fed in parallel with the reduction of its balance sheet.

US growth in 2018 proved to be the most vigorous among the major developed economies (2.9%) thanks to tax reform and the recovery of confidence both in industry and among consumers. The unemployment rate continued to fall to reach a historic low of 3.7%, with resulting full-employment wage pressures. The new US trade policy led to an increase in import duties on steel, aluminium and numerous products imported from China. The trade agreement between the US, Canada and Mexico was renewed and negotiations were opened with Japan and the European Union particularly regarding automobiles. At the end of the year a three-month truce in their trade conflict was agreed between the US and China – a period used by the Chinese authorities to review their import duties on American products, the opening of their markets and their medium-term development strategy.

The other developed countries saw their prospects weaken during the course of the year, particularly in Europe where the growth rate had fallen below 2% by the end of the year. Fears of a trade war particularly affected the morale of European companies, while domestic consumption was not as solid as in the US and household confidence and consumption slowed despite the fall in unemployment. In addition, the political environment was difficult within the Eurozone as unstable coalitions took power in Italy, Spain and Germany, while France faced protests in response to government business reforms. The UK finally concluded a Brexit withdrawal agreement with the EU, but the Prime Minister failed to win support for it and the UK parliament failed to ratify the agreement, leading to renewed fears concerning the exit process. In Japan growth remained weak and was heavily impacted by major weather events in the third quarter. Consumption and wages recovered however, to set a more positive trajectory.

In China growth slowed as a result of the measures adopted in 2017 aimed at reducing the indebtedness of economic agents. With the threat of a trade war, monetary and budgetary stimulus measures were implemented, but have not yet taken effect except on investment, and domestic activity was still in a downturn at the end of the year. Growth in other emerging countries also slowed, due to increases in interest rates, falls in commodity prices and the currency crisis observed in the second quarter. Signs of improvement appeared in Brazil following elections and in Argentina loans from the IMF were extended to avert crisis. Finally, in Turkey, the situation remains unstable and the country entered recession in the second half.

Inflation was in line with the objectives of the main central banks, Japan excepted, where it remained well below 2%. In the US and Eurozone inflation rose above 2% during the course of the year, but moderated in the third quarter due to falls in commodity prices. Underlying price indices did not follow the rebound in global indices, but were stable or slightly higher. In emerging markets inflation showed a higher overall trajectory due to domestic demand and falls in local currencies.

Central banks continued to tighten monetary policy, leading to the reappearance of monetary constraints and even liquidity stresses. The Fed raised interest rates four times in 2018, moving from within a range of 1.25%-1.50% to 2.25%-2.50%, and the ECB ended its asset purchases after a reduction in volumes in October. The Bank of England raised its rates (from 0.5% to 0.75% in August) in order to contain inflation and wages. Even the Bank of Japan adjusted its bond purchases and made its objective on the 10 year more flexible. By contrast, the Bank of China loosened its policy through injections of liquidity and cuts to the levels of reserves held by commercial banks, having allowed its currency to slip during the summer. Most of the Asian central banks continued their interest rate increases in the wake of the Fed, in order to stabilise their currencies, restore the confidence of the markets and combat more sustained inflation. The Turkish and Argentinian central banks were forced to increase their rates drastically in order to stem monetary crises, while Brazil cut its interest rates twice.

Sovereign bonds among the rare assets to close in the black

Against a background of strong economic growth, increased inflationary pressures, and several rate increases expected from the Fed, both short and long US rates began the year on a clearly rising trend. It took until mid-September however for the 10 year to break through 3%, reaching a peak of 3.24% at the beginning of November. Signs of a slowdown in the world economy, and more dovish language from Jerome Powell saw the 10-year rate fall to 2.68%, a gain of 20 bps over the year. With the 2 year having risen from 1.89% at the beginning of the year to 2.49%, the rate curve flattened dramatically. In the Eurozone, the rise in the German 10-year at the beginning of the year was quickly halted by the fear, followed in May by the actuality, of an alliance between the 5 Star Movement and the Northern League in Italy. Against expectations, the 10-year Bund fell by 19 bps over the year, to finish at 0.24%. As a result, German sovereign debt (+2.4%) clearly outperformed its US counterpart (+0,8%). With the exception of Italian bonds (-1.4%), sovereign debt in the major developed economies finished in the black, including Switzerland (+0.9%) and the UK (+0,5%).

If the increase in risk aversion during the course of the third quarter was very favourable for government bonds at the end of the year, it was damaging for credit. The widening of spreads clearly penalised both the Investment Grade segment (-2.2% in USD and -1.1% in EUR) and the High Yield segment (-2.3% and -3.6% respectively). The losses were however higher for emerging market debtholders (-4.3% for bonds denominated in USD and -6.2% for those in local currencies converted into USD).

Currencies and Commodities: sharp rise in the dollar and high oil price volatility

After its unexpected fall in 2017, the dollar appreciated against all major currencies in 2018 with the exception of the Yen (-3% to 109.7), which played its role of safe haven at the end of the year. The greenback particularly benefited from the strength of US growth, political risks in Italy and the UK, as well as a sharp increase in risk aversion. The Euro thus gave up nearly 5% against the dollar, falling to nearly 1.12 in mid-November, before recovering to 1.15. These uncertainties in Europe logically supported the Swiss Franc, which rose around 4% against the Euro, to finish at 1.13. The absence of agreement on Brexit explains the volatility of Sterling, which in the end gave up nearly 6% against the dollar. Most emerging currencies depreciated against the greenback, including the Chinese Yuan (-5%), which tested the 7.0 level against the background of trade war, the slowdown in activity and the easing of central bank monetary policy. Some currencies were severely penalised by domestic political risk and by the correction in commodity prices, among them notably the Argentine Peso (-51%), the Turkish Lira (-28%), the Brazilian Real (-15%) and the Russian Ruble (-17%).

The Ruble very obviously suffered from the fall in the price of oil during the last quarter. A number of reasons explain the increase in concern arising from an excess supply on the market. While the rise in price up to October (with Brent breaching the USD 85 threshold) was maintained through the willingness of the US administration to quit the Iranian nuclear agreement, the announcement by Donald Trump of derogations to sanctions against Teheran in a context of high growth in production in the US and fears of a slowdown in demand maintained selling pressure. The price of a barrel of Brent finally closed at USD 54, a fall of 20% over the year. After heavy losses during the second and third quarters, mainly due to the strength of the dollar, the price of gold recovered at the end of the year, to finish at USD 1283 (-2%).

Equity markets: return of volatility in a difficult year

Despite the upward trend in global growth and a solid rise in company profits, particularly in the US, the MSCI World All Country (in local currencies net dividends reinvested) fell by 7.7% over the year (after a rise of 19.8% in 2017). There were negative performances in nearly all countries and sectors. Although the markets commenced the year on a very positive note, the acceleration of wage increases in January increased the Fed's resolve and triggered the first tremor. The forming of a new government in Italy in the spring brought back bad memories for investors. Wall St, driven by its large technology companies, reached new highs in September. The markets then collapsed during the month of October and again in December on the basis of fears of a slowdown in global growth combined with excessive tightening from the Fed. In the end the US market (-5% according to the MSCI index) once again outperformed that of the Eurozone (-12.7%), which had particularly suffered from its high exposure to the banking sector.

Thanks to its more defensive profile the Swiss market resisted a bit better (-8.0%), as did the British market (-8.8%). The Japanese market (-15.1%), notoriously cyclical, under-performed the other developed markets and posted losses in line with emerging markets in USD (-14.6%). Asian markets (-15.5% in USD) and in particular China (-18.9%), were heavily penalised by the US-China trade war. In Latin America, the Argentine market collapsed (-50.8%), while Brazil (-0.5%) benefited from the election of a new president. In Europe, the relatively healthy performance of the Russian market (-0.7%) contrasted with the severe fall in the Turkish market (-41.4%).

At a global level, only the utilities sectors (+3.5% in local currencies) and health (+2.9%) finished in the black. At the other end of the spectrum, the financial, industrial and materials sectors saw falls of around 13%. The technology sector (-5.3%) outperformed slightly despite a catastrophic end to the year.

Prospects 2019: management of risks rather than quest for performance

At the beginning of 2018 investors had every reason to be enthusiastic about the continuation of synchronised global growth, driven particularly by US fiscal stimulus. We remained cautious however, believing that investors should expect more modest performances going forward than those observed in 2017. At the beginning of 2019, it is important to note that even if the pressures on valuations have eased, on the equity markets in particular, other risks are looming on the horizon.

Global growth should slow in 2019 (3.6% expected), and desynchronization in pace will take place between the various regions. If fears of recession in the US do not seem justified, growth may begin to run out of steam (2.6% expected, after 2.9%), but it should still remain higher than that of other developed countries. Activity in China should rebound during the year with the effect of various stimulus measures and the prospect of a trade agreement with the United States. The Eurozone, the UK and Japan should see their growth stabilize at a lower level than that seen in 2017 and 2018.

Inflation should also settle around the objectives of the central banks, but wage pressures should continue and underlying prices may rise gradually in several countries. In addition, the main central banks will likely continue their monetary tightening. The hardening of central bank policies should accelerate with the end of quantitative easing from the ECB and a Fed inclined to continue its interest rate rises during the year. However, the latter may see a pause due to a hardening in financial conditions, their impact on the US business cycle and stress in the financial markets.

In this context, equity investors should count on performances in single figures in 2019, driven mainly by a moderate growth in profits.

The realised volatility of the asset class rose sharply in 2018, from 4% in 2017 to 6.5% on average over the year on the Thomson Reuters Global Focus index. The performance was largely driven by the United States, particularly the tech and pharma sectors, which are widely represented in the overall convertibles universe. We were overweight on these sectors. After the heavy falls in the fourth quarter all regions moved into the red. European CBs on the Thomson Reuters Global index decreased by 5.12% over the year, the worst performer which is paradoxical given that the region is defensive and the credits are solid. Japan followed at -4.79% (the consolidation of a strong rebound at the end of 2017). Asia's performance at -2.25% seems remarkable given the difficulties in the Chinese market and the real estate sector in particular while the US finished at -0.62%.

There were several interesting elements in the primary market in 2018. US issues were at their highest since 2008 at \$51bn. In contrast, the European market generated only \$11.9bn, the lowest level since 2011. Issues in Asia and Japan rose respectively to \$16.2bn and \$5.3bn. Another significant fact was that Chinese domestic issues represented \$16.9bn, but these are not at the moment part of the Thompson Reuters indices.

We continue to anticipate an active US primary market in 2019, given the rise in interest rates, the realised volatility, higher credit spreads and attractive equity valuations for issuers.

Overall, the performance of the UBAM Convertibles Global sub-fund was -4.94% from 29 December 2017. The fund benchmark, the Thomson Reuters Global Convertible index recorded -4.43% for 2018.

Past performances are no guarantee of future performance.

Main movements in the portfolio during the financial year

Securities	Movements ("Accounting currency")	
	Purchases	Sales
RAG STIFTUNG 0% 31-12-18 CV	9 330 400.00	9 202 320.00
KUNL ENER COM 1.625% 25-07-19	8 693 863.11	6 973 211.80
CTRI COM INTL 1.0% 01-07-20	6 695 379.32	6 349 551.04
COUPA SOFTWARE 0.375% 15-01-23	5 321 145.68	6 919 261.95
BAYER CAP 5.625% 22-11-19	3 515 638.36	8 674 336.64
IAC FINANCECO INC 0.875% 01-10-22	6 755 918.97	4 401 717.31
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	6 658 246.82	3 965 730.39
AROUNDTOWN SA	5 330 999.97	5 286 705.95
OKTA 0.25% 15-02-23 CV	4 456 628.01	5 908 201.55
SAFRAN ZCP 31-12-20 CV	3 740 700.00	5 447 599.68

Transparency of securities financing transactions and the reuse of financial instruments – SFTR Regulation (EU) – in the fund's accounting currency (EUR)

The Fund did not carry out any securities financing transactions during the financial year ended December 2018.

TECHNIQUES DE GESTION EFFICACE DU PORTEFEUILLE ET INSTRUMENTS FINANCIERS DERIVES**a) Exposure resulting from efficient management techniques of the portfolio and derivative financial instruments**

- Exposure resulting from efficient management techniques:
 - **Security lending:**
 - **Security borrowing:**
 - **Repurchase transactions:**
 - **Reverse repurchase transactions:**
- Underlying exposure resulting from derivative financial instruments: **714 912 319.17**
 - **Currency forward exchange contracts: 695 574 088.19**
 - **Futures:**
 - **Options: 19 338 230.98**
 - **Swaps:**

b) Identity of counterparties linked to the efficient management techniques of the portfolio and derivative financial instruments

Efficient management techniques	Derivative financial instruments (*)
	DISCOUNT BANK SA LUXEMBOURG

(*) not including listed derivatives.

c) Financial guarantees received by the Fund in order to reduce counterparty risk

Type of instrument	Amount in the portfolio currency
Efficient management techniques . Term deposits . Equities . Bonds . UCITS . Cash (**) Total	
Derivative financial instruments . Term deposits . Equities . Bonds . UCITS . Cash Total	

(**) The Cash Account also includes cash resulting from repurchase agreements.

d) Revenues and operating expenses linked to efficient management techniques

Revenues and operating expenses	Amount in the portfolio currency
. Revenues (***) . Other revenues Total revenues	
. Direct operating expenses . Indirect operating expenses . Other expenses Total expenses	

(***) Revenues from repurchase agreements.

Regulatory information

• VOTING RIGHTS

In accordance with the applicable regulations and UBP's internal directives, UBI has implemented a voting policy suited to its activities. This policy stipulates the circumstances in which we intend to exercise the voting rights that come with ownership of shares in the UCITS we manage. This policy is available upon request from the management company.

UBP ASSET MANAGEMENT (France)
UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS
116 avenue des Champs Elysées 75008 PARIS.
e-mail: ubpamfrance@ubp.com

• PROCEDURE FOR SELECTING INTERMEDIARIES

In accordance with the AMF General Regulations, the management company has set up a "best selection/best execution" policy for selecting intermediaries and counterparties, which is available to investors on the website of the management company www.ubpamfrance.com. The objective of this policy is to select traders and intermediaries based on predefined criteria and whose execution policy will ensure the best execution of orders. On the same website, you will find the report relating to intermediation fees.

• ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA (ESG)

Information relating to the environmental, social and governance criteria (ESG) is available on the asset management company's website www.ubpamfrance.com.

• REMUNERATION POLICY

Quantitative and qualitative elements relating to remuneration

The company is approved by the Autorité des Marchés Financiers as a Fund manager and Alternative Investment Fund manager. It also manages mandates on an ancillary basis.

Remuneration paid by the company to its staff is composed of fixed remuneration and may, if financial conditions permit, include a variable component in the form of a discretionary bonus based on criteria adapted to each person.

The remuneration policy promotes sound and efficient management of risks and does not encourage excessive risk-taking in contravention of the risk-profile, the regulations or the fund instruments managed.

The objective of the remuneration policy is to encourage the alignment of risks taken by staff with those of the funds, the investors in the funds and those of the management company itself.

The company takes account when fixing variable remuneration of the combination of evaluation of individual performance, the general financial situation of the company and the results of the Group to which it belongs (UBP Group). The evaluation of individual performance is based on quantitative criteria (financial) and qualitative (non-financial).

The remuneration policy provides for a structured system of remuneration oriented on a long-term vision. It incorporates the remuneration policy into risk management of the company and that of UBP Group and encourages the staff concerned to promote sustainable success and the stability of the company and the UBP Group.

The company remuneration policy was reviewed in June 2018 in order to bring it into compliance with the provisions resulting from the UCITS Directive. It is available on the company website. It is subject to an annual audit. In 2018 no significant observations were formulated.

No staff member is allocated to a particular fund, group of funds or mandate(s). The quantitative data below are expressed pro-rata of the funds concerned within the total of assets under management of the company with all forms of management combined (UCITS, AIFs and mandates) as noted at the close of the financial year ended at 31 December 2018.

Table relating to the quantitative elements:

UBAM CONVERTIBLES GLOBAL

<i>Year of attribution</i>	number of beneficiaries	2018 in KEUR
<u>Total Staff (Management Company)</u>		
Gross fixed salaries	29	604
Variable remuneration		337
General total		941
<u>Staff with bearing on the risk profile</u>		
Gross fixed salaries	20	508
Variable remuneration		306
General total		814

• CALCULATION METHOD OF THE GLOBAL RISK

The method of calculating the overall risk ratio is the Value at Risk (VaR) method.

The general level of leverage, calculated as the total sum of the notional values of the derivatives used, will be 250%. It is possible for the Fund to have a higher level of leverage.

The VaR is calculated with a confidence interval of 99% and a horizon of 20 days.

Fund	Calculation method	VaR			Monitoring period of the VaR	Parameter models used	Influence
		Average	Min.	Max.			Average level
UBAM CONVERTIBLES GLOBAL	Absolute VaR	10.2%	8.9%	13.5%	From 2 January to 31 December 2018	Factor push / 99% confidence interval, 20 days holding period, 9-year historical period	211.4%

Annual Accounts

Balance sheet - Assets (in EUR)

	31/12/2018	29/12/2017
NET FIXED ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	516 828 621.05	410 715 480.90
Equities and similar securities	5 336 582.53	16 314 772.99
Traded on a regulated or similar market	5 336 582.53	16 314 772.99
Not traded on a regulated or similar market		
Bonds and similar securities	508 988 070.27	391 952 795.91
Traded on a regulated or similar market	508 988 070.27	391 952 795.91
Not traded on a regulated or similar market		
Debt securities		
Traded on a regulated or similar market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or similar market		
Undertakings for collective investment		
UCITS retail funds and AIFs aimed at non-professional and equivalent investors from other countries		
Other Funds aimed at non-professional and equivalent investors from the EU member states		
Professional retail and other equivalent Funds from other EU member states and listed securitization vehicles		
Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles		
Other non-European funds		
Repurchase agreements		
Receivables on securities received under a repurchase agreement		
Receivables on loaned securities		
Borrowed securities		
Securities transferred under a repurchase agreement		
Other temporary transactions		
Derivative instruments	2 503 968.25	2 447 912.00
Transactions on a regulated or similar market	2 503 968.25	2 447 912.00
Other transactions		
Other financial instruments		
RECEIVABLES	697 951 587.62	491 684 012.71
Currency forward exchange contracts	695 574 088.19	484 652 142.67
Other	2 377 499.43	7 031 870.04
FINANCIAL ACCOUNTS	14 284 012.63	20 523 625.78
Cash	14 284 012.63	20 523 625.78
TOTAL ASSETS	1 229 064 221.30	922 923 119.39

Annual Accounts

Balance sheet - Liabilities (in EUR)

	31/12/2018	29/12/2017
EQUITY CAPITAL		
Capital	545 694 223.52	398 848 715.69
Accumulated undistributed net realised gain (a)		
Retained earnings (a)	70.21	50.66
Net realised gain (loss) for the year (a, b)	-16 754 576.42	33 752 258.37
Profit or loss (a, b)	2 367 000.44	1 336 077.93
TOTAL EQUITY CAPITAL *	531 306 717.75	433 937 102.65
Amount representing net assets		
FINANCIAL INSTRUMENTS		
Sales of financial instruments		
Repurchase agreements		
Payables on securities under a repurchase agreement		
Payables on borrowed securities		
Other temporary transactions		
Derivative instruments		
Transactions on a regulated or similar market		
Other transactions		
PAYABLES	697 451 742.10	488 986 016.62
Currency forward exchange contracts	695 860 513.09	480 337 011.50
Other	1 591 229.01	8 649 005.12
FINANCIAL ACCOUNTS	305 761.45	0.12
Current bank account overdrafts	305 761.45	0.12
Loans		
TOTAL LIABILITIES	1 229 064 221.30	922 923 119.39

(a) Including adjusted accounts

(b) Reduced by interim dividends paid for the financial year

Annual Accounts

Off-Balance Sheet (in EUR)

	31/12/2018	29/12/2017
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Options		
RUSSELL 2000 INDEX 06/2019 PUT 1330	16 836 153.03	
OTC commitments		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Options		
DEUTSCHE POST NAMEN 12/2019 CALL 40	38 683.06	2 797 447.03
FRESENIUS 12/2018 CALL 76		674 376.89
LVMH 12/2019 CALL 280	2 420 087.30	
LVMH 12/2020 CALL 240		2 775 323.82
SAINT-GOBAIN 06/2019 CALL 52	43 307.59	634 034.57
SIEMENS AG NAMEN 12/2019 CALL 120		3 704 175.31
VINCI (EX SGE) 12/2021 CALL 80		1 832 772.34
OTC commitments		
Other commitments		

Annual Accounts

Profit and Loss Statement (in EUR)

	31/12/2018	29/12/2017
Income from financial transactions		
Income from deposits and financial accounts	17 346.17	6 846.56
Income from equities and similar securities	648 772.87	429 782.31
Income from bonds and similar securities	6 237 102.15	4 374 360.48
Income from debt securities		
Income from repurchase agreements		
Income from derivative instruments		
Other financial income		
TOTAL (1)	6 903 221.19	4 810 989.35
Payables on financial transactions		
Payables on repurchase agreements		
Payables on derivative instruments		
Payables on financial debts	52 940.77	64 623.62
Other financial payables		
TOTAL (2)	52 940.77	64 623.62
PROFIT FROM FINANCIAL TRANSACTIONS (1 - 2)	6 850 280.42	4 746 365.73
Other income (3)		
Management fees and depreciation provisions (4)	4 633 602.02	3 732 705.42
NET PROFIT FOR THE YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	2 216 678.40	1 013 660.31
Financial year revenue adjustments (5)	150 322.04	322 417.62
Interim dividends paid for the financial year (6)		
PROFIT (1 - 2 + 3 - 4 + 5 - 6)	2 367 000.44	1 336 077.93

Notes to the annual accounts – Accounting rules and methods

The annual accounts are presented in accordance with the ANC 2014-01 Regulation as modified.

General accounting principles apply:

- a true and fair view, comparability and operational continuity,
- lawfulness, accuracy,
- prudence,
- consistency of methods from one financial year to the next.

The accounting method used for recording fixed revenue securities income is based on interest received.

Entries and disposals of securities are accounted for exclusive of charges.

The reference accounting currency for the portfolio is the Euro.

The financial year period is 12 months.

Asset valuation rules

Financial instruments are accounted for according to the historical cost method and recorded on the balance sheet at their current value, which is determined by the latest known market value or, if there is no market, by any external means, or by recourse to financial models.

Differences between the current values used in calculating the net asset value and historical costs of transferable securities when they enter the portfolio are recorded in "valuation differences" accounts.

Securities that are not in the portfolio currency are valued in accordance with the principle stated below, then converted into the portfolio currency based on the exchange rate on the day of valuation.

Deposits:

Deposits with a residual lifetime of less than or equal to three months are valued according to the straight-line method.

Equities, bonds and other securities traded on a regulated or similar market:

For the calculation of net asset value, shares and other securities traded on a regulated market or similar are valued according to the day's closing share price.

Bonds and similar securities are valued at the closing price communicated by various financial services providers. The accrued interest of bonds and similar securities is calculated up to the date of the net asset value.

Equities, bonds and other securities not traded on a regulated or similar market:

Securities not traded on a regulated market are valued by the Board of Directors, using methods based on goodwill value and return and taking into account the prices used during recent significant transactions.

Negotiable debt securities:

Negotiable debt securities and similar securities which are not traded in large volumes are valued on an actuarial basis using a reference rate as defined below, increased if needed by a margin representative of the intrinsic characteristics of the issuer:

Negotiable debt securities for which the maturity date is less than or equal to one year: interbank rate in euros (Euribor);

Negotiable debt securities for which the maturity date is more than one year: BTAN rates (Bons du Trésor à Intérêts Annuels Normalisés - standard annual interest French treasury bills) or OAT rates (Obligations Assimilables du Trésor - fungible French treasury bonds) with near-term maturity for longer periods.

Negotiable debt securities with a residual lifetime of less than or equal to three months may be valued according to the straight-line method.

Treasury bills are valued at the market rate communicated daily by the Banque de France.

UCIs held:

UCI units or shares are valued at the last known net asset value.

Repurchase agreements:

Securities received under a repurchase agreement are posted to assets in the "Receivables on securities received under a repurchase agreement" section in the amount provided for by the contract, increased by accrued interest receivable.

Securities given under a repurchase agreement are posted to the buyer portfolio at their current value. The debt for securities given under a repurchase agreement is posted to the seller portfolio at the value fixed in the contract, increased by accrued interest payable.

Loaned securities are valued at their current value and posted to assets in the "Loaned securities receivables" section at their current value, increased by accrued interest receivable.

Borrowed securities are posted to assets in the "Borrowed securities" section in the amount provided for by the contract and to liabilities in the "Payables on borrowed securities" section in the amount provided for by the contract, increased by accrued interest payable.

Derivative instruments:**Futures traded on a regulated or similar market:**

Futures traded on regulated markets are valued at the daily settlement price.

Derivative instruments not traded on a regulated or similar market:***Swaps:***

Interest rate and/or currency rate swap contracts are valued at their market value according to the price calculated by updating of future interest flows to market interest and/or currency rates. This price is adjusted to the issuer's risk.

Index swaps are valued actuarially on the basis of a benchmark rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated by the asset management company.

Off-balance sheet commitments:

Futures contracts are recorded at their market value as off-balance-sheet commitments at the price used in the portfolio.

Options are converted using the underlying equivalent value.

Commitments on swap contracts are presented at their nominal value or, in the absence of a nominal value, at an equivalent amount.

Management fees

Management fees are calculated on the net assets on each valuation.

These fees are charged to the profit or loss account of the fund.

Management fees are paid in full to the management company, which takes responsibility for all the operational expenses of the fund.

Management fees do not include transaction fees.

The maximum rates applied are based on the net assets:

A shares: 1.196% including tax

U shares: 0.90% including tax

Z shares: 0.20% including tax

S shares: 0.65% including tax

Allocation of distributable amounts**Definition of distributable amounts:**

Distributable amounts are constituted by:

The income:

The net income of the year is equal to the interest, arrears, premiums and lots, dividends, attendance fees, and all other income relating to the securities in the portfolio, plus the sums temporarily available and less the total of management fees and borrowing costs.

It is increased by the balance brought down and increased or decreased by the balance of prepayments and accrued income for the year.

Realised gains (losses):

The realised gains, net of fees, less realised losses, net of fees, for the financial year, increased by net realised gains not distributed or accumulated from previous financial years and decreased or increased by the balance of the adjusted realised gains account.

Allocation of distributable amounts:

<i>Distributable amounts</i>	ACH EUR; ACH CHF shares	A; R; K; A-USD shares
Allocation of net income	Accumulation	Distribution and/or carried forward and/or accumulation
Allocation of net realised gain (loss)	Accumulation	Distribution and/or carried forward and/or accumulation

Annual accounts

Changes in net assets (in EUR)

	31/12/2018	29/12/2017
NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR	433 937 102.65	354 944 249.32
Subscriptions (including subscription fees paid to the Fund)	369 063 735.35	180 376 175.62
Redemptions (less redemption fees paid to the Fund)	-247 194 305.64	-111 396 795.57
Gains realized on deposits and financial instruments	28 639 312.77	29 098 257.63
Losses realized on deposits and financial instruments	-20 945 916.93	-10 981 617.13
Gains realized on derivative instruments	86 992 583.42	68 761 749.84
Losses realized on derivative instruments	-107 008 981.47	-56 195 658.27
Transaction fees	-799 287.21	-953 337.81
Foreign exchange differences	17 069 741.85	-28 635 938.71
Variations in the valuation difference of deposits and financial instruments	-29 856 524.22	9 006 439.02
<i>Valuation difference for financial year N</i>	<i>-11 120 552.44</i>	<i>18 735 971.78</i>
<i>Valuation difference for financial year N-1</i>	<i>-18 735 971.78</i>	<i>-9 729 532.76</i>
Variations in the valuation difference of forward financial instruments	-776 013.85	-1 062 493.65
<i>Valuation difference for financial year N</i>	<i>-1 733 107.50</i>	<i>-957 093.65</i>
<i>Valuation difference for financial year N-1</i>	<i>957 093.65</i>	<i>-105 400.00</i>
Prior year distribution of net realized gains (losses)		
Prior year income distribution	-31 407.37	-37 587.95
Net earnings for the financial year before adjustments	2 216 678.40	1 013 660.31
Interim dividends paid during the year from net realized gains (losses)		
Interim dividends paid during the year from net income		
Other items		
NET ASSETS AT THE END OF THE FINANCIAL YEAR	531 306 717.75	433 937 102.65

BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed rate bonds traded on a regulated or similar market	17 379 488.19	3.27
Convertible bonds traded on a regulated or similar market	491 608 582.08	92.53
TOTAL BONDS AND SIMILAR SECURITIES	508 988 070.27	95.80
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES		
DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
TOTAL DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Equities	16 836 153.03	3.17
TOTAL HEDGING TRANSACTIONS	16 836 153.03	3.17
OTHER TRANSACTIONS		
Equities	2 502 077.95	0.47
TOTAL OTHER TRANSACTIONS	2 502 077.95	0.47

BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY TYPE OF RATE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities	505 694 523.11	95.18					3 293 547.16	0.62
Debt securities								
Repurchase agreements								
Financial accounts							14 284 012.63	2.69
Liabilities								
Repurchase agreements								
Financial accounts							305 761.45	0.06
Off-balance sheet								
Hedging transactions								
Other transactions								

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY

	< 3 months	%	3 months - 1 year	%	1 - 3 years	%	3 - 5 years	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities	2 590 218.34	0.49	58 911 561.92	11.09	101 565 456.89	19.12	182 579 338.52	34.36	163 341 494.60	30.74
Debt securities										
Repurchase agreements										
Financial accounts	14 284 012.63	2.69								
Liabilities										
Repurchase agreements										
Financial accounts	305 761.45	0.06								
Off-balance sheet										
Hedging transactions										
Other transactions										

Interest rate futures are presented according to the maturity date of the underlying item.

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING CURRENCY OR VALUATION CURRENCY (non-Euro)

	Currency 1 CHF	%	Currency 2 USD	%	Currency 3 GBP	%	Currency N OTHER (S)	%
Assets								
Deposits								
Equities and similar securities			4 960 775.11	0.93			375 807.42	0.07
Bonds and similar securities	9 729 609.13	1.83	349 776 171.53	65.83	18 598 946.85	3.50	69 680 744.80	13.11
Debt securities								
UCI								
Repurchase agreements								
Receivables	90 423 137.70	17.02	85 937 660.45	16.17	347 591.70	0.07	8 383 615.73	1.58
Financial accounts	332.41	0.00	20 631.27	0.00	88.44	0.00	147.28	0.00
Liabilities								
Disposal transactions on financial instruments								
Repurchase agreements								
Payables	13 607 465.71	2.56	401 088 092.22	75.49	18 396 781.47	3.46	78 323 032.96	14.74
Financial accounts	6 086.23	0.00	299 675.10	0.06				
Off-balance sheet								
Hedging transactions			16 836 153.03	3.17				
Other transactions								

RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	31/12/2018
Receivables	Forward currency purchases	184 518 965.74
	Funds to be received from forward currency sales	511 055 122.45
	Sales with deferred settlement terms	408 952.34
	Subscriptions to be received	44 621.26
	Coupons and dividends in cash	213 925.83
	Collaterals	1 710 000.00
Total receivables		697 951 587.62
Payables	Forward currency sales	- 511 415 372.36
	Funds to be paid on forward currency purchases	- 184 445 140.73
	Purchases with deferred settlement terms	- 361 297.17
	Redemptions to pay	- 786 823.50
	Management fees	- 388 753.01
	Other payables	- 54 355.33
Total payables		- 697 451 742.10
Total payables and receivables		499 845.52

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
A-C (EUR) shares		
Shares subscribed during the financial year	95 650.325	132 758 998.32
Shares redeemed during the financial year	-89 287.215	-123 392 371.88
Balance of shares at the end of the financial year	138 173.649	
U-C (EUR) shares		
Shares subscribed during the financial year	123 453.975	124 997 229.45
Shares redeemed during the financial year	-65 612.385	-64 388 804.01
Balance of shares at the end of the financial year	57 841.590	
A-D (EUR) shares		
Shares subscribed during the financial year	459.370	534 772.11
Shares redeemed during the financial year	-1 084.650	-1 229 432.43
Balance of shares at the end of the financial year	2 375.720	

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
AH-D (GBP) shares		
Shares subscribed during the financial year	120.588	190 667.01
Shares redeemed during the financial year	-136.000	-216 893.69
Balance of shares at the end of the financial year	169.298	
UH-D (GBP) shares		
Shares subscribed during the financial year	84.123	95 939.92
Shares redeemed during the financial year		
Balance of shares at the end of the financial year	84.123	
AH-C (CHF) shares		
Shares subscribed during the financial year	2 194.179	3 264 580.11
Shares redeemed during the financial year	-674.338	-992 104.15
Balance of shares at the end of the financial year	60 494.009	
AH-C (USD) shares		
Shares subscribed during the financial year	4 297.666	7 355 949.84
Shares redeemed during the financial year	-5 902.672	-10 167 795.40
Balance of shares at the end of the financial year	22 489.228	
AH-D (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-241.545	-410 251.53
Balance of shares at the end of the financial year	837.108	
U-D (EUR) shares		
Shares subscribed during the financial year	3 298.333	3 565 198.92
Shares redeemed during the financial year	-2 346.000	-2 524 587.58
Balance of shares at the end of the financial year	5 703.287	
Z-C (EUR) shares		
Shares subscribed during the financial year	71 480.000	96 300 399.67
Shares redeemed during the financial year	-32 711.000	-43 872 064.97
Balance of shares at the end of the financial year	127 504.000	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
<p>U-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>A-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>A-D (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-D (GBP) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>UH-D (GBP) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (CHF) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>AH-C (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
<p>AH-D (USD) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>U-D (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	
<p>Z-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained</p>	

MANAGEMENT FEES

	31/12/2018
<p>U-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees</p>	352 998.58 0.90
<p>A-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees</p>	2 422 264.31 1.20

MANAGEMENT FEES

	31/12/2018
A-D (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 39 434.09 1.20
AH-D (GBP) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 3 727.83 1.20
UH-D (GBP) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 450.94 0.90
AH-C (CHF) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 1 067 034.42 1.20
AH-C (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 505 973.68 1.20

MANAGEMENT FEES

	31/12/2018
AH-D (USD) shares	
Guarantee commissions	
Fixed management fees	19 389.59
Percentage of fixed management fees	1.20
Variable management fees	
Retroceded management fees	
U-D (EUR) shares	
Guarantee commissions	
Fixed management fees	56 261.01
Percentage of fixed management fees	0.90
Variable management fees	
Retroceded management fees	
Z-C (EUR) shares	
Guarantee commissions	
Fixed management fees	166 067.57
Percentage of fixed management fees	0.10
Variable management fees	
Retroceded management fees	

COMMITMENTS RECEIVED AND GIVEN

	31/12/2018
Guarantees received by the fund	
- capital guarantees	
Other commitment received	
Other commitment given	

OTHER INFORMATION

Current value of securities subject to temporary acquisition

	31/12/2018
Securities provided under a repurchase agreement	
Borrowed securities	

Current value of securities making up guarantee deposits

	31/12/2018
Financial instruments given as guarantee and maintained in the original item	
Financial instruments received as guarantee and not posted to the balance sheet	

Financial instruments held, issued and/or managed by the Group

	Code Isin	Description	31/12/2018
Equities			
Bonds			
Negotiable debt securities			
UCI			
Derivative instruments			
Total Group securities			

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
Amounts still to be allocated		
Retained earnings	70.21	50.66
Income	2 367 000.44	1 336 077.93
Total	2 367 070.65	1 336 128.59

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	194 994.17	
Total	194 994.17	

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	103 396.71	21 565.68
Total	103 396.71	21 565.68

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution	1 496.70	390.13
Retained earnings for the financial year	13.93	28.46
Accumulation		
Total	1 510.63	418.59
Information relating to shares giving rights to distribution		
Number of shares	2 375.720	3 001.000
Unit distribution	0.63	0.13
Tax credits		
Tax credits attached to the distribution of income	1 094.19	1 320.99

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution	143.90	22.17
Retained earnings for the financial year	0.89	1.02
Accumulation		
Total	144.79	23.19
Information relating to shares giving rights to distribution		
Number of shares	169.298	184.710
Unit distribution	0.85	0.12
Tax credits		
Tax credits attached to the distribution of income	105.11	109.68

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution	264.15	
Retained earnings for the financial year	0.47	
Accumulation		
Total	264.62	
Information relating to shares giving rights to distribution		
Number of shares	84.123	
Unit distribution	3.14	
Tax credits		
Tax credits attached to the distribution of income	36.69	

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	49 240.22	12 084.30
Total	49 240.22	12 084.30

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	19 225.26	4 402.23
Total	19 225.26	4 402.23

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution	694.80	194.16
Retained earnings for the financial year	4.32	4.61
Accumulation		
Total	699.12	198.77
Information relating to shares giving rights to distribution		
Number of shares	837.108	1 078.653
Unit distribution	0.83	0.18
Tax credits		
Tax credits attached to the distribution of income	582.23	667.64

	31/12/2018	29/12/2017
U-D (EUR) shares		
Allocation		
Distribution	21 672.49	26 937.91
Retained earnings for the financial year	49.21	35.93
Accumulation		
Total	21 721.70	26 973.84
Information relating to shares giving rights to distribution		
Number of shares	5 703.287	4 750.954
Unit distribution	3.80	5.67
Tax credits		
Tax credits attached to the distribution of income	2 465.39	1 967.08

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	1 975 873.43	1 270 461.99
Total	1 975 873.43	1 270 461.99

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
Amounts still to be allocated		
Accumulated undistributed net realized gain (loss)		
Net realized gain (loss) for the financial year	-16 754 576.42	33 752 258.37
Interim dividends paid during the financial year from net realized gains (losses)		
Total	-16 754 576.42	33 752 258.37

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-3 252 459.43	
Total	-3 252 459.43	

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-6 833 689.68	18 382 961.81
Total	-6 833 689.68	18 382 961.81

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-98 333.42	350 521.58
Total	-98 333.42	350 521.58

	31/12/2018	29/12/2017
AH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-10 866.22	19 712.55
Total	-10 866.22	19 712.55

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-4 038.51	
Total	-4 038.51	

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-861 023.06	1 458 587.77
Total	-861 023.06	1 458 587.77

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	679 500.92	1 058 757.81
Total	679 500.92	1 058 757.81

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	24 562.78	46 206.98
Total	24 562.78	46 206.98

	31/12/2018	29/12/2017
U-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-220 867.45	521 085.12
Total	-220 867.45	521 085.12

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-6 177 362.35	11 914 424.75
Total	-6 177 362.35	11 914 424.75

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	246 578 889.25	452 480 137.24	354 944 249.32	433 937 102.65	531 306 717.75
UBAM CONVERTIBLES GLOBAL AC (EUR)					
Net assets in EUR	76 863 026.92	131 697 642.47	156 841 776.50	179 908 181.49	179 274 927.08
Number of securities	62 624.025	102 590.860	122 067.314	131 810.539	138 173.649
Unit net asset value in EUR	1 227.37	1 283.71	1 284.87	1 364.89	1 297.46
Unit capitalisation of net realised gain (loss) in EUR	-45.57	-15.44	16.24	139.46	-49.45
Unit capitalisation in EUR from income	3.10	1.76	2.16	0.16	0.74
UBAM CONVERTIBLES GLOBAL UC (EUR)					
Net assets in EUR					55 025 762.18
Number of securities					57 841.590
Unit net asset value in EUR					951.31
Unit capitalisation of net realised gain (loss) in EUR					-56.23
Unit capitalisation in EUR from income					3.37
UBAM CONVERTIBLES GLOBAL AD (EUR)					
Net assets in EUR	462 584.99	63 930 659.47	3 846 854.78	3 428 614.96	2 579 837.12
Number of securities	448.000	59 315.716	3 571.000	3 001.000	2 375.720
Unit net asset value in EUR	1 032.55	1 077.80	1 077.24	1 142.49	1 085.91
Unit capitalisation of net realised gain (loss) in EUR	-48.08	-13.10	13.65	116.80	-41.39
Unit distribution in EUR from income	2.24	1.49	1.81	0.13	0.63
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	246 578 889.25	452 480 137.24	354 944 249.32	433 937 102.65	531 306 717.75
UBAM CONVERTIBLES GLOBAL AHD (GBP)					
Net assets in GBP	99 365.64	361 170.26	405 515.44	252 578.96	221 680.65
Number of securities	82,000	284.680	317.131	184.710	169.298
Unit net asset value in GBP	1 211.77	1 268.68	1 278.70	1 367.43	1 309.41
Unit capitalisation of net realised gain (loss) in EUR	21.14	101.87	-186.77	106.72	-64.18
Unit distribution in EUR from income	3.82	2.37	2.57	0.12	0.85
Unit retained earnings in EUR from income					
Unit tax credits in EUR				0.06	*
UBAM CONVERTIBLES GLOBAL UHD (GBP)					
Net assets in GBP					77 380.48
Number of securities					84.123
Unit net asset value in GBP					919.84
Unit capitalisation of net realised gain (loss) in EUR					-48.00
Unit distribution in EUR from income					3.14
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*
UBAM CONVERTIBLES GLOBAL AHC (CHF)					
Net assets in CHF	78 859 906.63	85 505 883.72	70 433 288.00	100 887 922.34	97 780 848.65
Number of securities	50 348.463	52 540.963	43 501.090	58 974.168	60 494.009
Unit net asset value in CHF	1 566.28	1 627.41	1 619.11	1 710.71	1 616.37
Unit capitalisation of net realised gain (loss) in EUR	-27.42	148.68	12.52	24.73	-14.23
Unit capitalisation in EUR from income	3.26	1.97	2.49	0.20	0.81

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	246 578 889.25	452 480 137.24	354 944 249.32	433 937 102.65	531 306 717.75
UBAM CONVERTIBLES GLOBAL AHC (USD)					
Net assets in USD	65 672 757.69	102 568 743.46	53 826 422.16	47 761 294.86	43 450 693.83
Number of securities	38 080.223	56 819.946	29 384.750	24 094.234	22 489.228
Unit net asset value in USD	1 724.58	1 805.15	1 831.78	1 982.27	1 932.06
Unit capitalisation of net realised gain (loss) in EUR	75.40	172.76	96.49	43.94	30.21
Unit capitalisation in EUR from income	3.33	2.22	2.83	0.18	0.85
UBAM CONVERTIBLES GLOBAL AHD (USD)					
Net assets in USD	7 194 717.26	7 789 112.66	3 166 475.83	2 078 210.42	1 571 807.68
Number of securities	4 270.989	4 425.989	1 775.653	1 078.653	837.108
Unit net asset value in USD	1 684.55	1 759.85	1 783.27	1 926.67	1 877.66
Unit capitalisation of net realised gain (loss) in EUR	73.63	168.70	93.93	42.83	29.34
Unit distribution in EUR from income	3.26	2.17	2.76	0.18	0.83
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*
UBAM CONVERTIBLES GLOBAL UD (EUR)					
Net assets in EUR		2 098 954.13	4 077 751.00	5 105 527.69	5 812 781.51
Number of securities		2 085.000	4 025.000	4 750.954	5 703.287
Unit net asset value in EUR		1 006.69	1 013.10	1 074.63	1 019.19
Unit capitalisation of net realised gain (loss) in EUR		0.01	12.72	109.68	-38.72
Unit capitalisation in EUR from income		-0.07			
Unit distribution in EUR from income			7.06	5.67	3.80
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	246 578 889.25	452 480 137.24	354 944 249.32	433 937 102.65	531 306 717.75
UBAM CONVERTIBLES GLOBAL ZC (EUR)					
Net assets in EUR	43 522 599.61	73 977 787.46	70 049 955.78	117 438 677.17	162 188 360.34
Number of securities	37 790.000	60 745.000	56 843.000	88 735.000	127 504.000
Unit net asset value in EUR	1 151.69	1 217.84	1 232.34	1 323.47	1 272.02
Unit capitalisation of net realised gain (loss) in EUR	-42.66	-14.27	15.36	134.26	-48.44
Unit capitalisation in EUR from income	15.17	15.02	15.13	14.31	15.49

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Asset
Equities and similar securities				
Equities and similar securities traded on a regulated or similar market				
BERMUDA				
YUEXIU TRANSPORT INFRASTRUCTUR	HKD	567 349	375 807.42	0.07
TOTAL BERMUDA			375 807.42	0.07
USA				
BANK OF AMER 7.25% 31-12-99	USD	4 535	4 960 775.11	0.93
TOTAL USA			4 960 775.11	0.93
TOTAL Equities & similar sec traded on reg mkt or similar			5 336 582.53	1.00
TOTAL Equities and similar securities			5 336 582.53	1.00
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
BASF 0.925% 09-03-23 EMTN	USD	9 000 000	7 137 347.16	1.34
BAYER 0.05% 15-06-20	EUR	4 600 000	4 573 902.88	0.86
DEUTSCHE WOHNEN AG 0.6% 05-01-26	EUR	8 100 000	8 602 176.70	1.61
FRESENIUS SE ZCP 31-01-24	EUR	6 100 000	5 824 097.00	1.10
LEG IMMOBILIEN AG 0.875% 01-09-25	EUR	2 800 000	3 004 728.27	0.57
MTU AERO ENGI 0.125% 17-05-23	EUR	1 100 000	1 526 185.21	0.29
SYMRISE AG 0.2375% 20-06-24	EUR	2 100 000	2 233 374.88	0.42
TOTAL GERMANY			32 901 812.10	6.19
BERMUDA				
JAZZ INVESTMENTS I 1.5% 15-08-24	USD	7 300 000	5 810 098.69	1.09
KUNL ENER COM 1.625% 25-07-19	CNH	20 000 000	3 194 377.07	0.60
TOTAL BERMUDA			9 004 475.76	1.69
CHINA				
CHINA RAILWAY CONSTR 1.5% 21-12-21	CNH	20 000 000	2 527 815.52	0.48
TOTAL CHINA			2 527 815.52	0.48
CYPRUS				
VOLCAN HOLDINGS PLC 4.125% 11-04-20	GBP	6 200 000	9 197 969.26	1.73
TOTAL CYPRUS			9 197 969.26	1.73
USA				
ADVA MICR 2.125% 01-09-26	USD	1 675 000	3 544 894.50	0.67
AKAMAI TECHNOLOGIES 0.125% 01-05-25	USD	6 620 000	5 282 530.34	0.99
AMERADA HESS CORPORATION 8.0% 31-12-99	USD	59 050	2 560 552.40	0.48
ANTHEM 2.75% 10/42	USD	1 490 000	4 708 079.01	0.89

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
ATLASSIAN INC 0.625% 01-05-23	USD	4 200 000	4 659 474.09	0.88
AYC FINANCE 0.5% 02/05/2019 CV	USD	6 100 000	5 367 559.00	1.01
BIOMARIN PHARMACEUTICAL 0.599% 01-08-24	USD	6 250 000	5 447 511.52	1.03
BOINGO WIRELESS 1.0% 01-10-23	USD	3 700 000	2 784 385.54	0.52
BOOKING HOLDINGS INC 0.35% 15-06-20	USD	3 070 000	3 593 535.55	0.68
BOOKING HOLDINGS INC 0.9% 15-09-21	USD	4 350 000	4 214 029.26	0.79
CAESARS ENTERTAINMENT 5.0% 01-10-24	USD	1 100 000	1 188 002.67	0.22
CALAMP 2.0% 01-08-25 CV	USD	3 400 000	2 334 910.82	0.44
CENTERPOINT ENERGY 7.0% 01-09-21	USD	65 000	2 859 432.31	0.54
CHEGG 0.25% 15-05-23 CV	USD	4 100 000	4 347 462.16	0.82
CITR SYST 0.5% 15-04-19 CV	USD	1 910 000	2 367 604.86	0.45
CYPRESS SEMICONDUCTOR 4.5% 15-01-22	USD	2 080 000	2 175 007.86	0.41
DOCUSIGN 0.5% 15-09-23 CV	USD	3 000 000	2 411 484.72	0.45
DYCO INDU 0.75% 15-09-21	USD	3 270 000	2 656 810.74	0.50
EXACT SCIENCES 1.0% 15-01-25	USD	4 390 000	4 242 280.02	0.80
GUIDEWIRE SOFTWARE 1.25% 15-03-25	USD	5 050 000	4 267 316.16	0.80
IAC FINANCECO INC 0.875% 01-10-22	USD	6 100 000	7 046 784.52	1.33
ILLUMINA ZCP 15-06-19 CV	USD	3 915 000	4 164 260.70	0.78
ILLUMINA ZCP 15-08-23 CV	USD	1 900 000	1 712 596.94	0.32
INSMED 1.75% 15-01-25 CV	USD	4 700 000	2 940 585.44	0.55
INSULET 1.375% 15-11-24 CV	USD	3 000 000	2 781 231.44	0.52
INTEL CORP 3.25% 01/08/2039 CV	USD	2 825 000	5 681 684.96	1.07
INTL FLAVORS FRAGRANCES 6.0% 15-09-21	USD	123 000	5 446 375.55	1.03
JP MORGAN CHASE FINANCIAL COMPANY LLC 0.25% 01-05-23	USD	6 900 000	5 475 138.28	1.03
JPMORGAN CHASE BANK N A ZCP 30-12-20	USD	5 400 000	4 812 720.52	0.91
LIGAND PHARMACEUTICAL 0.75% 15-05-23	USD	2 900 000	2 259 530.57	0.43
LIVE NATION 2.5% 15-03-23 CV	USD	6 500 000	5 831 834.06	1.10
LUMENTUM 0.25% 15-03-24 CV	USD	3 900 000	3 411 648.47	0.64
MANDATORY EXCHANGEABLE TRUST 5.75% 01-06-19	USD	55 250	7 456 482.10	1.40
MARRIOTT VACATIONS WORLDWIDE 1.5% 15-09-22	USD	5 250 000	4 017 579.69	0.76
MICROCHIP TECHNOLOGY 1.625% 15-02-27	USD	10 550 000	8 995 825.29	1.69
MU 3 11/15/43	USD	3 590 000	3 469 350.92	0.65
NEUROCRINE BIOSCIENCE INC 2.25% 15-05-24	USD	2 200 000	2 264 674.24	0.43
NEXTERA ENERGY EX FPL GROUP 6.123% 01-09-19	USD	65 000	3 272 139.74	0.62
NICE SYSTEMS 1.25% 15-01-24 CV	USD	2 450 000	2 951 272.86	0.56
NRG ENERGY 2.75% 01-06-48 CV	USD	3 250 000	3 083 709.12	0.58

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
NUANCE COMMUNICATIONS 1.0% 15-12-35	USD	6 990 000	5 294 024.54	1.00
NUTANIX ZCP 15-01-23 CV	USD	4 050 000	3 934 672.27	0.74
NUVASIVE INC 2.25% 15-03-21 CV	USD	3 750 000	3 472 467.25	0.65
OKTA 0.25% 15-02-23 CV	USD	2 300 000	2 941 606.26	0.55
ON SE 1.0% 01-12-20 CV	USD	3 600 000	3 466 277.73	0.65
PALO ALTO NETWORKS 0.75% 01-07-23	USD	9 750 000	8 466 760.92	1.59
RED HAT 0.25% 01-10-19 CV	USD	1 200 000	2 489 563.90	0.47
RINGCENTRAL ZCP 15-03-23 CV	USD	3 000 000	3 081 589.52	0.58
RTI INTERNATIONAL 1.625% 15/10/2019	USD	6 700 000	5 823 065.57	1.10
SAREPTA THERAPEUTICS 1.5% 15-11-24	USD	3 580 000	5 232 037.12	0.98
SEMPRA ENERGY 6.0% 15-01-21 CV	USD	39 650	3 293 547.16	0.62
SERVICENOW INC ZCP 01-06-22 CV	USD	4 810 000	5 924 386.68	1.12
SILICON LABORATORIES 1.375% 01-03-22	USD	1 715 000	1 586 397.05	0.30
SPLUNK 0.5% 15-09-23 CV	USD	5 000 000	4 311 098.98	0.81
SQUARE 0.5% 15-05-23 CV	USD	4 800 000	4 384 314.41	0.83
SUPERNUS PHARMACEUTICALS IN 0.625% 01-04-23	USD	4 100 000	3 361 452.93	0.63
TELADOC HEALTH INC 1.375% 15-05-25	USD	2 700 000	2 756 130.13	0.52
TERADYNE 1.25% 15-12-23 CV	USD	2 120 000	2 196 273.71	0.41
TESLA 1.25% 01/03/2021	USD	3 800 000	3 723 854.34	0.70
TWILIO 0.25% 01-06-23 CV	USD	3 920 000	4 867 671.89	0.92
VIAVI SOLUTIONS INC	USD	2 750 000	2 364 228.77	0.44
VISHAY INTERTECHGY 2.25% 15-06-25	USD	5 600 000	4 343 203.49	0.82
WAYFAIR 0.375% 01-09-22 CV	USD	3 200 000	3 010 894.91	0.57
WELLS FARGO AND CO 7.5% 31-12-99	USD	5 076	5 594 239.65	1.05
WESTERN DIGITAL 1.5% 01-02-24	USD	4 700 000	3 344 833.34	0.63
WORKDAY INC 0.25% 01-10-22 CV	USD	5 000 000	5 403 440.08	1.02
WRIGHT MEDICAL GROUP INC 1.625% 15-06-23	USD	5 050 000	4 485 976.75	0.84
TOTAL USA			267 242 298.29	50.31
FRANCE				
CA ZCP 03-10-19	EUR	96 119	6 949 115.34	1.31
CARREFOUR ZCP 27-03-24 CV	USD	6 800 000	5 207 790.39	0.98
ELIS EX HOLDELIS ZCP 06-10-23	EUR	123 801	3 610 656.17	0.68
MAISON DU MONDE SAS 0.125% 06-12-23	EUR	57 000	2 338 767.00	0.44
ORANGE 0.375% 27-06-21	GBP	3 600 000	3 904 096.70	0.73
REMY COIN 0.125% 07-09-26	EUR	16 150	2 012 822.95	0.38
SAFRAN SA ZCP 21-06-23 CV	EUR	48 788	7 264 094.11	1.36

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
TECHNIP 0.875% 25-01-21	EUR	2 900 000	3 002 979.81	0.57
UBISOFT ZCP 27-09-21	EUR	15 500	1 194 802.00	0.22
UNIB RODA SE ZCP 01-07-21 CV	EUR	6 000	1 727 772.00	0.33
UNIBAIL RODAMCO ZCP 01/01/22	EUR	14 600	4 981 082.00	0.94
VALE ELEC ET ZCP 16-06-21 EMTN	USD	3 800 000	2 974 420.96	0.56
VINCI 0.375% 16-02-22	USD	6 400 000	5 742 879.76	1.08
TOTAL FRANCE			50 911 279.19	9.58
HONG KONG				
ASIA VIEW 1.5% 08-08-19 CV	USD	1 750 000	1 806 682.68	0.34
CHINA CONCH VENTURE ZCP 05-09-23	HKD	31 000 000	3 356 400.33	0.63
CHINA YANGTZE POWER INTERNATIONAL BVI ZCP 09-11-21	USD	6 500 000	6 071 227.07	1.14
TOTAL HONG KONG			11 234 310.08	2.11
CAYMAN ISLANDS				
SEMI MANU INTE ZCP 07-07-22	USD	3 000 000	2 590 244.54	0.49
WEIBO CORP 1.25% 15-11-22 CV	USD	3 000 000	2 390 834.06	0.45
TOTAL CAYMAN ISLANDS			4 981 078.60	0.94
BRITISH VIRGIN ISLANDS				
SHANGHAI PORT GROUP HOLDING ZCP 09-08-21	USD	1 800 000	1 565 449.78	0.30
SHANGHAI PORT GROUP HOLDING ZCP 09-08-22	USD	1 800 000	1 544 997.38	0.29
TOTAL BRITISH VIRGIN ISLANDS			3 110 447.16	0.59
ISRAEL				
WIXCOM ZCP 01-07-23 CV	USD	3 350 000	2 797 162.23	0.53
TOTAL ISRAEL			2 797 162.23	0.53
ITALY				
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	EUR	2 500 000	2 356 041.64	0.44
TOTAL ITALY			2 356 041.64	0.44
JAPAN				
ALL NIPPON AIRWAYS ZCP 16-09-22	JPY	300 000 000	2 405 601.91	0.45
ALL NIPPON AIRWAYS ZCP 19-09-24	JPY	860 000 000	6 940 613.43	1.30
DAIO 0 09/17/20	JPY	480 000 000	3 844 271.75	0.72
DIGITAL GARAGE ZCP 14-09-23 CV	JPY	100 000 000	766 873.26	0.14
HIS ZCP 15-11-24 CV	JPY	700 000 000	5 825 490.66	1.10
KANDENKO ZCP 31-03-21	JPY	510 000 000	4 365 251.49	0.82
KANSAI PAINT ZCP 17-06-19	JPY	300 000 000	2 380 143.03	0.45
KYUSEL 0 03/31/20	JPY	320 000 000	2 633 865.71	0.50
LINE ZCP 20-09-23 CV	JPY	160 000 000	1 214 156.54	0.23

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
MITSUBISHI CHEMICAL HOLD ZCP 29-03-24	JPY	810 000 000	6 552 214.54	1.23
MITSUBISHI CHEMICAL HOLD ZCP 30-03-22	JPY	430 000 000	3 443 519.27	0.65
MITSUI OSK LINES LTD ZCP 24/04/2020 CV	USD	3 100 000	2 536 964.19	0.48
MITSUMI ELECTRIC ZCP 03-08-22	JPY	340 000 000	3 009 857.77	0.57
RELO ZCP 22-03-21 CV	JPY	470 000 000	3 893 960.27	0.73
SMO ENERGY HOLDINGS ZCP 05-12-22	JPY	300 000 000	2 341 096.54	0.44
SONY ZCP 30-09-22	JPY	294 000 000	2 859 661.03	0.54
TOPPAN 0 12/19/19	JPY	360 000 000	2 848 877.23	0.54
TOTAL JAPAN			57 862 418.62	10.89
JERSEY				
ENSCO JERSEY FINANCE LIMITED 3.0% 31-01-24	USD	3 270 000	1 950 505.02	0.37
TOTAL JERSEY			1 950 505.02	0.37
LUXEMBOURG				
APERAM 0.625% 08-07-21 CV	USD	3 400 000	2 965 121.28	0.56
TOTAL LUXEMBOURG			2 965 121.28	0.56
MALAYSIA				
CINDAI CAPITAL LTD ZCP 08-02-23	USD	3 500 000	2 833 135.37	0.53
TOTAL MALAYSIA			2 833 135.37	0.53
MEXICO				
CEME SAB D 3.72% 15-03-20 CV	USD	8 170 000	7 046 535.81	1.33
TOTAL MEXICO			7 046 535.81	1.33
NETHERLANDS				
BREN FINA BV 1.875% 02-12-22	USD	4 000 000	3 227 347.96	0.61
QIAGEN NV 1.0% 13-11-24 CV	USD	1 800 000	1 563 215.72	0.29
SIEM FINA 1.65% 16-08-19	USD	3 000 000	2 738 827.51	0.52
STMICROELECTRONICS NV ZCP 03-07-22	USD	7 600 000	6 662 047.16	1.25
TOTAL NETHERLANDS			14 191 438.35	2.67
MAURITANIA				
CANOPUS INTERNATIONAL LTD ZCP 25-01-19	USD	3 000 000	2 590 218.34	0.49
TOTAL MAURITANIA			2 590 218.34	0.49
UNITED KINGDOM				
BP CAP MK 1.0% 28-04-23	GBP	2 000 000	2 720 715.15	0.51
J SAINSBURY 1.25% 21-11-19	GBP	2 400 000	2 776 165.74	0.52
TOTAL UNITED KINGDOM			5 496 880.89	1.03

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
SWEDEN				
SAS 3.625% 01/04/2019	SEK	53 000 000	5 276 697.45	0.99
TOTAL SWEDEN			5 276 697.45	0.99
SWITZERLAND				
SIKA AG 0.15% 05-06-25 CV	CHF	10 760 000	9 729 609.13	1.83
TOTAL SWITZERLAND			9 729 609.13	1.83
VIETNAM				
VINPEARL JOINT STOCK COMPANY 3.5% 14-06-23	USD	3 200 000	2 780 820.18	0.52
TOTAL VIETNAM			2 780 820.18	0.52
TOTAL Bonds & similar sec traded on reg mkt or similar			508 988 070.27	95.80
TOTAL Bonds and similar securities			508 988 070.27	95.80
Derivative instruments				
Commitments on options				
Commitments on options on regulated or similar markets				
DEUTSCHE POST NAMEN 12/2019 CALL 40	EUR	1 400	2 800.00	
LVMH 12/2019 CALL 280	EUR	250	371 500.00	0.07
RUSSELL 2000 INDEX 06/2019 PUT 1330	USD	340	2 127 987.25	0.40
SAINT-GOBAIN 06/2019 CALL 52	EUR	1 681	1 681.00	
TOTAL Commitments on options on regulated or similar markets			2 503 968.25	0.47
TOTAL Commitments on options			2 503 968.25	0.47
TOTAL Derivative instruments			2 503 968.25	0.47
Receivables			697 951 587.62	131.37
Payables			-697 451 742.10	-131.27
Financial accounts			13 978 251.18	2.63
Net assets			531 306 717.75	100.00

UBAM CONVERTIBLES GLOBAL AC (EUR)	EUR	138 173.649	1 297.46
UBAM CONVERTIBLES GLOBAL UC (EUR)	EUR	57 841.590	951.31
UBAM CONVERTIBLES GLOBAL AD (EUR)	EUR	2 375.720	1 085.91
UBAM CONVERTIBLES GLOBAL AHD (GBP)	GBP	169.298	1 309.41
UBAM CONVERTIBLES GLOBAL UHD (GBP)	GBP	84.123	919.84
UBAM CONVERTIBLES GLOBAL AHC (CHF)	CHF	60 494.009	1 616.37
UBAM CONVERTIBLES GLOBAL AHC (USD)	USD	22 489.228	1 932.06
UBAM CONVERTIBLES GLOBAL AHD (USD)	USD	837.108	1 877.66
UBAM CONVERTIBLES GLOBAL UD (EUR)	EUR	5 703.287	1 019.19
UBAM CONVERTIBLES GLOBAL ZC (EUR)	EUR	127 504.000	1 272.02

Additional information relating to the coupon tax system

SHARE COUPON BREAKDOWN: A-D (EUR)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source				
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	1 496.70	EUR	0.63	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	1 496.70	EUR	0.63	EUR

SHARE COUPON BREAKDOWN: AH-D (GBP)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source				
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	143.90	EUR	0.85	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	143.90	EUR	0.85	EUR

SHARE COUPON BREAKDOWN: UH-D (GBP)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source	179.19	EUR	2.13	EUR
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	84.96	EUR	1.01	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	264.15	EUR	3.14	EUR

SHARE COUPON BREAKDOWN: AH-D (USD)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source				
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	694.80	EUR	0.83	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	694.80	EUR	0.83	EUR

SHARE COUPON BREAKDOWN: U-D (EUR)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source	14 657.45	EUR	2.57	EUR
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	7 015.04	EUR	1.23	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	21 672.49	EUR	3.80	EUR

Information concerning investments and management

- **LEGAL FORM**

UBAM CONVERTIBLES Sub-fund, SICAV under French law.

- **ALLOCATION OF DISTRIBUTABLE INCOME:**

Shares	Allocation of distributable income
AC (EUR)	Accumulation of distributable income
AD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (CHF)	Accumulation of distributable income
AHC (USD)	Accumulation of distributable income
AHD (USD)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AHC (SEK)	Accumulation of distributable income
AHD (SEK)	Distribution and/or carried forward and/or accumulation of net income and realised gains
AXC (USD)	Accumulation of distributable income
UC (EUR)	Accumulation of distributable income
UD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
UHC (GBP)	Accumulation of distributable income
UHD (GBP)	Distribution and/or carried forward and/or accumulation of net income and realised gains
ZC (EUR)	Accumulation of distributable income
ZD (EUR)	Distribution and/or carried forward and/or accumulation of net income and realised gains
SC (EUR)	Accumulation of distributable income

- **MANAGEMENT OBJECTIVE**

The management objective is to enable the investor to benefit from the specific risk/return ratio of International convertible bonds.

Convertible bonds have an asymmetric risk/return profile (all other things being equal, for a given variation in the underlying securities, upside participation is greater than downside participation). However, a convertible bond usually has a lower yield than a normal bond issued by the same issuer.

This specific risk/return ratio may be altered by the fluctuations in interest rates, credit spreads and implied volatility.

- **BENCHMARK INDICATOR**

The sub-fund is not linked to any benchmark index or financial market index.

Management policy is based on a fundamental and discretionary management of asset allocation and the selection of convertible bonds or equivalent securities, which makes comparison with any specific benchmark index inappropriate.

However, for information purposes, the sub-fund's performance can be measured against the Thomson Reuters Global Focus Hedged Convertible Bond Index (EUR) (Ticker UCBI14) coupons and/or dividends reinvested.

Thomson Reuters Global Focus Hedged Convertible Bond (EUR) is an international convertible bond index.

- **INVESTMENT STRATEGY**

1. Strategies used

The management policy is based on fundamental and discretionary management of the asset allocation and on a selection of convertible or equivalent bonds in compliance with the exposure limits.

The investment process comprises five stages:

- 1- Filtering of the universe taking into consideration the liquidity and size of the issue in order to eliminate less liquid securities. Liquidity changes depending on market conditions;
- 2- An assessment of the credit quality of the issuer and an estimation of the implied volatility of the convertible bond, exchangeable, indexed, or redeemable in an international equity, in order to position the relative cost of each convertible bond within its universe and in relation to other available implied volatilities (options, etc);
- 3- Analysis of the underlying stock and its earnings prospects;
- 4- Consolidation of the individual data and construction of the portfolio;
- 5- In accordance with the managers' expectations, positioning and overall management of the exposure to equities, interest rates and credit.

The exposure of the sub-fund to equity risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market trends.

Therefore the equity exposure of the portfolio may vary significantly over time, insofar as the equity exposure measures the performance of a convertible compared to a variation of 1% in its underlying equity. For example, when the underlying equity increases by 1% and the convertible by 0.45% then the equity sensitivity of the convertible will be 45% (0.45%/1%). The equity sensitivity of the sub-fund is mostly balanced by the sensitivity weighting of each line.

The sub-fund's sensitivity to interest-rate risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market,
- our expectations of market fluctuations.

Thus sensitivity may change significantly over time.

The sub-fund's sensitivity to credit risk will be a function of:

- the characteristics of the convertible bonds, exchangeable bonds, redeemable bonds, etc. available on the market. The credit spreads, i.e. the difference between the yield to maturity of the security and the swap rate for an equivalent duration, may change significantly over time.
- Positions taken on the credit derivatives market.

The manager may take positions in the French and foreign regulated futures markets in order to expose and/or hedge the portfolio to/against the indices of the investment zone or to the underlying securities in order to pursue the investment objective and to take advantage of market variations.

The sub-fund may be exposed up to 50% of its net assets to the equity markets (due to the nature of convertible bonds and the process of investment) with a targeted exposure between 10% and 40% of its net assets.

Exchange rate risk will be systematically hedged. This hedging may include indirect exchange risk (the case of a security denominated in a currency whose underlying risk is in another currency). The objective of the hedging is to have a direct exposure which is less than 10% of its net assets.

For all classes of shares (with the exception of AXC (USD) shares) denominated in a currency other than the Euro, the exchange rate risks of the currency of the share compared to the benchmark of the sub-fund will be systematically hedged. However, in view of the technical difficulties of carrying out this hedging, the classes of shares denominated in a currency other than the Euro may possibly be exposed to some minor exchange rate risk, due to changes in the value of liabilities (subscriptions/redemptions) or assets (change in the value of assets hedged). All the costs and risks resulting from exchange rate hedging transactions will be charged respectively to the classes of shares denominated in a currency other than the Euro.

For the AXC (USD) share class, the hedging of exchange rate risk shall be neutralised to a minimum of 90% and this share class will tolerate an exchange rate risk towards the main currencies corresponding to the financial instruments in the portfolio. However, due to the technical difficulties involved, complete neutralisation of exchange rate risk hedging cannot be guaranteed. All the costs and risks resulting from the neutralisation of exchange rate risk shall be at the charge of the AXC (USD) share class.

The general sensitivity range of the sub-fund shall be between 0 and 6.

2. Assets

Convertible bonds:

The sub-fund invests at all times at least two thirds of its net assets in convertible bonds and/or equivalent securities:

- bonds exchangeable into shares and/or
- bonds redeemable in shares and/or
- bonds with subscription warrants and/or
- bonds indexed on shares and/or
- any other types of securities included in convertible indices such as securities which may be considered as shares under local law (mandatory convertibles, Preferred Convertibles, Mandatory Convertibles Preferred shares, Mandatory Convertibles Preferred stocks, Mandatory Exchangeable Bonds, Convertible Perpetual Preferred Stock etc)

of any investment rating or non-rated, according to the manager's analyses, including emerging countries, up to a maximum of 50% of the sub-fund's net assets. The sub-fund may therefore be exposed to High Yield or 'speculative' securities. In addition and notwithstanding the above, the sub-fund may invest in all securities which are included in the reference index).

The sub-fund will not use contingent convertible bonds ("CoCos"), which are subordinated debt issued by credit institutions and insurance or reinsurance companies, which are eligible for their own regulatory capital and which are convertible into equity, the nominal of which can be reduced (a mechanism called "write down") where a "trigger event" occurs, as defined in the prospectus of the debt security concerned.

Debt securities and money market instruments and bonds:

The sub-fund may also be exposed to negotiable debt instruments, bonds, **whatever their maturity or the issuer's rating** (based on the manager's analyses), as a driver of performance as well as for cash management.

Non-convertible bonds or similar (BMTN, EMTN, TCN) non-Investment Grade securities will represent not more than 20% of the sub-fund's net assets.

Equities:

Apart from preferred shares, the sub-fund may invest up to 10% of its net assets in equities, whatever their market capitalisation or geographical area. These equities may result from either a conversion or a swap.

Investment in shares of other UCITS, AIFs (Alternative Investment Fund) or foreign investment funds:

In order to achieve its management objective or to manage its cash flow, the sub-fund may invest up to 10% of its net assets in shares of harmonised French or European UCITS, or in AIFs and other investment funds which respect the four criteria as defined by article R.214-13 of the Financial and Monetary Code, of any classification. They may be managed by UBI or other management companies.

When the sub-fund invests in the units of UCITS or AIFs or eligible investment funds managed directly or indirectly by UBI or by a company to which it is linked through common management or common control or through a direct or indirect shareholding of more than 10% of the capital or votes, no subscription or redemption fee may be charged to the sub-fund for investment in these UCITS or AIFs or eligible investment funds, with the exception of the commissions retained by the UCITS or AIFs or eligible investment funds.

For investments made by the sub-fund in a UCITS or AIF or eligible investment funds linked to UBI as described above, there will not be any duplication of the management fees invoiced by UBI and the UCITS or the AIF or any other eligible investment fund concerned. Accordingly the manager shall invest in units/shares of Group UCITS, AIFs or other eligible investment funds without incurring financial management fees. In default of this, the assets invested in Group UCITS and/or AIFs or other eligible investment funds shall be deducted from the base of management fees charged by the management company.

Securities' Markets and Stock Exchanges:

You are reminded that the Fund may invest in any eligible financial security or money market instrument traded on a regulated market or other regulated market situated in an EU state or a state which is party to the European Economic Area agreement, or officially listed on a stock market of a third country to the European Union or European Economic Area, or traded on another market of a third country according to the conditions laid down in Article R.214-11 of the Monetary and Financial Code.

Accordingly, the management company does not exclude any stock or securities market in Europe, the Middle East, Africa, Americas, Asia, Pacific. The securities in the portfolio may therefore be issued under any law, including securities issued under the regulations known as REG S or 144A, in respect of the investment strategy of the above sub-fund.

3. Derivative instruments

The sub-fund may take positions in forward financial instruments traded on regulated markets in France and abroad, and conduct over-the-counter transactions on financial instruments, including interest-rate or currency swaps, without seeking overexposure.

In this context the manager may take positions in order to expose and/or hedge the portfolio to/against the interest rate/equities indices of the investment zone or to equities in order to pursue the management objective, take advantage of market variations and generally to manage the portfolio's exposure to the stock, bond and interest-rate markets (cf investment process above).

➤ Markets invested in:

- French and foreign regulated futures markets,
- organised markets,
- over-the-counter markets.

➤ Risks to which the manager seeks exposure:

- interest rates,
- equities,
- foreign exchange,
- credit.

➤ Instruments used for both exposure and hedging:

- interest rate swaps,
- currency swaps,
- futures,
- options,
- Credit Default Swaps (« CDS »),

- CDS on indices,
- CDS options and CDS indices.

The sub-fund will not use Total Return Swaps (TRS).

4. Securities with embedded derivatives (up to 100% of net assets)

The sub-fund may use securities such as convertible bonds and similar securities with embedded derivatives of the type mentioned in paragraph "2. Assets", up to the limit of 100% of net assets.

The strategy for use of securities including derivatives is the same as that described for the use of derivative instruments.

The sub-fund will not use contingent convertible bonds (« Cocos »).

5. Cash deposits

The sub-fund may make cash deposits in order to optimize its cash flow management.

6. Cash borrowings

It is not the aim of the sub-fund to borrow cash but it may find itself in the position of debtor owing to transactions linked to its cash flow (ongoing investments and disinvestments, subscription/redemption operations, etc.) within a limit of 10% of the net assets.

7. Sale and repurchase agreements

It is not the aim of the sub-fund to use these types of transactions.

• FINANCIAL GUARANTEES

For transactions on derivative instruments, the sub-fund may receive or provide financial guarantees such as margin or guarantee deposit calls which are paid either in cash or financial securities.

• RISK PROFILE

The prices of convertible bonds are subject to a number of influences:

- the general level of interest rates – **Interest-rate risk**
- the price of the underlying equity – **Equity risk**
- the level of the issuer's credit risk – **Credit risk**
- volatility of the conversion option – **Volatility risk**
- level of foreign currencies, be it that of the issuing currency or that of the underlying equity – **Exchange rate risk**

The level of the different risks varies greatly over time.

Furthermore the general level of the markets has a significant influence on all these parameters.

Capital loss risk:

The sub-fund carries no guarantee or protection and the capital initially invested may not be returned.

Interest-rate risk:

Due to its composition, the sub-fund may be subject to interest rate risk. This risk results from the fact that in general debt securities and bonds fall in price when interest rates rise. The investor in bonds or other fixed income securities may suffer negative performances following fluctuations in the level of interest rates.

Equity risk:

Your investment may be subject to a maximum 50% exposure to the equity market, because of the inherent nature of convertibles and our investment process. A fall in the equity markets can cause a fall in the net asset value.

Credit risk:

Credit risk is the potential risk of decline in the credit rating of the issuer which will have a negative impact on the price of the security and therefore on the net asset value. Credit risk also results when the issuer of a bond is not able to repay the loan and to make interest payments on the dates provided for in the contract.

Volatility risk:

Given an investment strategy consisting mainly of investments in convertible bonds, the net asset value is liable to vary with changes in the value of the conversion option (i.e. the possibility of converting the bond into a share).

These risks result in the fact that the performance of the sub-fund does not depend solely on the market trends; it is therefore possible that the value of the assets may fall at a time when the stock markets are rising.

Risk associated with investment in emerging markets:

Investor attention is drawn to the conditions of operation and supervision of these markets, which may deviate from the standards in place on the major international markets. Downward movements on these markets may therefore cause a faster and more marked fall in the net asset value.

Liquidity risk:

In case of a significant increase in risk aversion, or due to troubled markets, the bid-ask spread may widen significantly. This widening may result in a more marked fall in the net asset value, mainly when the sub-fund has to deal with redemptions. This risk may affect convertible bonds and similar securities which are mainly traded in over-the-counter markets.

Risk associated with investment in high yield securities:

There is a credit risk which applies to securities labelled "Speculative" which present a higher probability of default than those of "Investment Grade". They offer higher levels of yield in compensation, but may, in the case of a downgrade in the rating, reduce significantly the net asset value.

Counterparty risk:

Counterparty risk represents the risk of failure of a counterparty (particularly a banking establishment) leading to a default in payment. Any such default in payment by a counterparty may lead to a fall in the net asset value.

Risk associated with the use of derivatives:

The sub-fund is exposed to the risk of derivative products, mainly due to the possibility of it being hedged or exposed to various markets via futures. The use of derivative products may therefore increase or reduce the sensitivity of the sub-fund to either upwards or downwards market movements.

Exchange rate risk:

Risk associated with assets or classes of shares which may be denominated in currencies other than the currency of the sub-fund (Euro). The sub-fund or class of share concerned is subject to the fluctuation of exchange rates between the currency of the sub-fund and these other currencies. If the currency of a share class or a security appreciates compared to the currency of the sub-fund, its value will increase. On the other hand, a depreciation of this same currency will lead to a loss in the value of the security or of the class of shares concerned and will be reflected in the Net Asset Value.

Risk associated with investments in China:

Risk associated with investments in China: regarding its exposure to emerging markets, the fund may invest directly on the domestic Chinese market or indirectly through associated markets. Through its investments in China the fund is exposed particularly to political and social risks (sensitivity to political developments, social instability, etc), economic risks (government intervention, exchange rate controls, etc), legal and regulatory risks (experimental measures, recent or non-verified, asset sequestration measures, discretion in the interpretation of measures, etc) and to market risk (volatile and unstable market, risk of sudden listing suspension, etc).

In addition, the fund is exposed to the risk associated with its RQFII licence and status attributed in 2015 to Union Bancaire Gestion Institutionnelle (France) SAS for the account of funds managed by management companies within the Group. This status is recent and in constant evolution. It is subject to the discretion of the Chinese authorities and may at any time be reviewed, reduced or withdrawn, which may affect the net asset value of the fund. Finally the fund is exposed to the risk associated with investments carried out via the Hong Kong Shanghai Connect Platform (Stock Connect) which allows investment on the Hong Kong market in over 500 securities listed in Shanghai. This system, due to its structure, has higher counterparty and security delivery risks. The fund will limit its exposure to the domestic Chinese market to 10% of its net assets (not including off-shore markets such as Hong-Kong).

- **SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE:**

Subscribers concerned:

Shares	Subscribers concerned
AC (EUR)	All subscribers
AD (EUR)	All subscribers
AHD (GBP)	All subscribers
AHC (CHF)	All subscribers
AHC (USD)	All subscribers
AHD (USD)	All subscribers
AHC (SEK)	All subscribers
AHD (SEK)	All subscribers
AXC (USD)	All subscribers
UC (EUR)	Reserved to investors defined below
UD (EUR)	Reserved to investors defined below
UHC (GBP)	Reserved to investors defined below
UHD (GBP)	Reserved to investors defined below
ZC (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
ZD (EUR)	Reserved to mutual funds, AIFs or other investment funds and institutional investors which have entered into a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group
SC (EUR)	Reserved to Israeli institutional investors

The attention of subscribers is drawn to the information relating to non-authorized investors mentioned in the general characteristics.

In accordance with the RQFII regulation, subscriptions from citizens of the People's Republic of China are not authorised in the sub-fund.

Typical investor profile:

The sub-fund's shares are aimed at clients who wish to benefit from the positive or negative performance of international convertible bonds.

Type A share class is available to all subscribers.

Type U share class is only available for investors who indirectly purchase the shares through an agent or any other financial intermediary (such as a platform) who provide:

- portfolio management services; or

- independent investment advisory services;
- similar services based on agreements relating specifically to investments in units or shares without retrocession fees;

These shares do not give rights to any retrocessions.

It is the responsibility of each investor to correctly assess his personal situation and to invest in the appropriate share class or unit according to the definition of each share class or unit.

Type Z share class is aimed at mutual funds, AIFs or other investment funds and institutional investors, who have a specific remuneration agreement with Union Bancaire Privée, UBP SA or any other member of the Group.

Type S share class is aimed at Israeli institutional investors.

Type C share class is aimed at clients who wish to benefit from the accumulation of distributable income.

Type D share class is aimed at clients who wish to benefit from the distribution and/or carried forward and/or accumulation of distributable income.

Type H share class is aimed at clients who wish to benefit from the systematic hedging of the exchange rate risk between the currency of the share class and the benchmark currency of the sub-fund.

Type AXC (USD) share class is aimed at clients who wish to benefit from the neutralisation of this exchange rate risk hedging.

The amount it is reasonable to invest in this sub-fund depends on the personal situation of each individual investor. To determine a reasonable amount, personal wealth, current needs and the recommended three-year duration of the investment need to be taken into account; however, attention must also be paid to willingness to take risks, because of the inherent volatility of the equity markets, and the dynamic strategy of the sub-fund.

It is also recommended that investments be sufficiently diversified so as not to expose them solely to the risks of a single UCI or sub-fund of a UCI.

Recommended investment horizon: 3 years.

Management Report

2018: the wide spread between economic performances and equity markets

Global growth was strong in 2018 (3.8%), but there were disparities between the various regions and a general slowdown occurred towards the end of the year. The economic situation during the course of the year was marked by trade war fears between the US and its many partners, by specific tensions between Washington and Beijing and by regular interest rate increases from the Fed in parallel with the reduction of its balance sheet.

US growth in 2018 proved to be the most vigorous among the major developed economies (2.9%) thanks to tax reform and the recovery of confidence both in industry and among consumers. The unemployment rate continued to fall to reach a historic low of 3.7%, with resulting full-employment wage pressures. The new US trade policy led to an increase in import duties on steel, aluminium and numerous products imported from China. The trade agreement between the US, Canada and Mexico was renewed and negotiations were opened with Japan and the European Union particularly regarding automobiles. At the end of the year a three-month truce in their trade conflict was agreed between the US and China – a period used by the Chinese authorities to review their import duties on American products, the opening of their markets and their medium-term development strategy.

The other developed countries saw their prospects weaken during the course of the year, particularly in Europe where the growth rate had fallen below 2% by the end of the year. Fears of a trade war particularly affected the morale of European companies, while domestic consumption was not as solid as in the US and household confidence and consumption slowed despite the fall in unemployment. In addition, the political environment was difficult within the Eurozone as unstable coalitions took power in Italy, Spain and Germany, while France faced protests in response to government business reforms. The UK finally concluded a Brexit withdrawal agreement with the EU, but the Prime Minister failed to win support for it and the UK parliament failed to ratify the agreement, leading to renewed fears concerning the exit process. In Japan growth remained weak and was heavily impacted by major weather events in the third quarter. Consumption and wages recovered however, to set a more positive trajectory.

In China growth slowed as a result of the measures adopted in 2017 aimed at reducing the indebtedness of economic agents. With the threat of a trade war, monetary and budgetary stimulus measures were implemented, but have not yet taken effect except on investment, and domestic activity was still in a downturn at the end of the year. Growth in other emerging countries also slowed, due to increases in interest rates, falls in commodity prices and the currency crisis observed in the second quarter. Signs of improvement appeared in Brazil following elections and in Argentina loans from the IMF were extended to avert crisis. Finally, in Turkey, the situation remains unstable and the country entered recession in the second half.

Inflation was in line with the objectives of the main central banks, Japan excepted, where it remained well below 2%. In the US and Eurozone inflation rose above 2% during the course of the year, but moderated in the third quarter due to falls in commodity prices. Underlying price indices did not follow the rebound in global indices, but were stable or slightly higher. In emerging markets inflation showed a higher overall trajectory due to domestic demand and falls in local currencies.

Central banks continued to tighten monetary policy, leading to the reappearance of monetary constraints and even liquidity stresses. The Fed raised interest rates four times in 2018, moving from within a range of 1.25%-1.50% to 2.25%-2.50%, and the ECB ended its asset purchases after a reduction in volumes in October. The Bank of England raised its rates (from 0.5% to 0.75% in August) in order to contain inflation and wages. Even the Bank of Japan adjusted its bond purchases and made its objective on the 10 year more flexible. By contrast, the Bank of China loosened its policy through injections of liquidity and cuts to the levels of reserves held by commercial banks, having allowed its currency to slip during the summer.

Most of the Asian central banks continued their interest rate increases in the wake of the Fed, in order to stabilise their currencies, restore the confidence of the markets and combat more sustained inflation. The Turkish and Argentinian central banks were forced to increase their rates drastically in order to stem monetary crises, while Brazil cut its interest rates twice.

Sovereign bonds among the rare assets to close in the black

Against a background of strong economic growth, increased inflationary pressures, and several rate increases expected from the Fed, both short and long US rates began the year on a clearly rising trend. It took until mid-September however for the 10 year to break through 3%, reaching a peak of 3.24% at the beginning of November. Signs of a slowdown in the world economy, and more dovish language from Jerome Powell saw the 10-year rate fall to 2.68%, a gain of 20 bps over the year. With the 2 year having risen from 1.89% at the beginning of the year to 2.49%, the rate curve flattened dramatically. In the Eurozone, the rise in the German 10-year at the beginning of the year was quickly halted by the fear, followed in May by the actuality, of an alliance between the 5 Star Movement and the Northern League in Italy. Against expectations, the 10-year Bund fell by 19 bps over the year, to finish at 0.24%. As a result, German sovereign debt (+2.4%) clearly outperformed its US counterpart (+0.8%). With the exception of Italian bonds (-1.4%), sovereign debt in the major developed economies finished in the black, including Switzerland (+0.9%) and the UK (+0.5%).

If the increase in risk aversion during the course of the third quarter was very favourable for government bonds at the end of the year, it was damaging for credit. The widening of spreads clearly penalised both the Investment Grade segment (-2.2% in USD and -1.1% in EUR) and the High Yield segment (-2.3% and -3.6% respectively). The losses were however higher for emerging market debtholders (-4.3% for bonds denominated in USD and -6.2% for those in local currencies converted into USD).

Currencies and Commodities: sharp rise in the dollar and high oil price volatility

After its unexpected fall in 2017, the dollar appreciated against all major currencies in 2018 with the exception of the Yen (-3% to 109.7), which played its role of safe haven at the end of the year. The greenback particularly benefited from the strength of US growth, political risks in Italy and the UK, as well as a sharp increase in risk aversion. The Euro thus gave up nearly 5% against the dollar, falling to nearly 1.12 in mid-November, before recovering to 1.15. These uncertainties in Europe logically supported the Swiss Franc, which rose around 4% against the Euro, to finish at 1.13. The absence of agreement on Brexit explains the volatility of Sterling, which in the end gave up nearly 6% against the dollar. Most emerging currencies depreciated against the greenback, including the Chinese Yuan (-5%), which tested the 7.0 level against the background of trade war, the slowdown in activity and the easing of central bank monetary policy. Some currencies were severely penalised by domestic political risk and by the correction in commodity prices, among them notably the Argentine Peso (-51%), the Turkish Lira (-28%), the Brazilian Real (-15%) and the Russian Ruble (-17%).

The Ruble very obviously suffered from the fall in the price of oil during the last quarter. A number of reasons explain the increase in concern arising from an excess supply on the market. While the rise in price up to October (with Brent breaching the USD 85 threshold) was maintained through the willingness of the US administration to quit the Iranian nuclear agreement, the announcement by Donald Trump of derogations to sanctions against Teheran in a context of high growth in production in the US and fears of a slowdown in demand maintained selling pressure. The price of a barrel of Brent finally closed at USD 54, a fall of 20% over the year. After heavy losses during the second and third quarters, mainly due to the strength of the dollar, the price of gold recovered at the end of the year, to finish at USD 1283 (-2%).

Equity markets: return of volatility in a difficult year

Despite the upward trend in global growth and a solid rise in company profits, particularly in the US, the MSCI World All Country (in local currencies net dividends reinvested) fell by 7.7% over the year (after a rise of 19.8% in 2017). There were negative performances in nearly all countries and sectors.

Although the markets commenced the year on a very positive note, the acceleration of wage increases in January increased the Fed's resolve and triggered the first tremor. The forming of a new government in Italy in the spring brought back bad memories for investors. Wall St, driven by its large technology companies, reached new highs in September. The markets then collapsed during the month of October and again in December on the basis of fears of a slowdown in global growth combined with excessive tightening from the Fed. In the end the US market (-5% according to the MSCI index) once again outperformed that of the Eurozone (-12.7%), which had particularly suffered from its high exposure to the banking sector.

Thanks to its more defensive profile the Swiss market resisted a bit better (-8.0%), as did the British market (-8.8%). The Japanese market (-15.1%), notoriously cyclical, under-performed the other developed markets and posted losses in line with emerging markets in USD (-14.6%). Asian markets (-15.5% in USD) and in particular China (-18.9%), were heavily penalised by the US-China trade war. In Latin America, the Argentine market collapsed (-50.8%), while Brazil (-0.5%) benefited from the election of a new president. In Europe, the relatively healthy performance of the Russian market (-0.7%) contrasted with the severe fall in the Turkish market (-41.4%).

At a global level, only the utilities sectors (+3.5% in local currencies) and health (+2.9%) finished in the black. At the other end of the spectrum, the financial, industrial and materials sectors saw falls of around 13%. The technology sector (-5.3%) outperformed slightly despite a catastrophic end to the year.

Prospects 2019: management of risks rather than quest for performance

At the beginning of 2018 investors had every reason to be enthusiastic about the continuation of synchronised global growth, driven particularly by US fiscal stimulus. We remained cautious however, believing that investors should expect more modest performances going forward than those observed in 2017. At the beginning of 2019, it is important to note that even if the pressures on valuations have eased, on the equity markets in particular, other risks are looming on the horizon.

Global growth should slow in 2019 (3.6% expected), and desynchronization in pace will take place between the various regions. If fears of recession in the US do not seem justified, growth may begin to run out of steam (2.6% expected, after 2.9%), but it should still remain higher than that of other developed countries. Activity in China should rebound during the year with the effect of various stimulus measures and the prospect of a trade agreement with the United States. The Eurozone, the UK and Japan should see their growth stabilize at a lower level than that seen in 2017 and 2018.

Inflation should also settle around the objectives of the central banks, but wage pressures should continue and underlying prices may rise gradually in several countries. In addition, the main central banks will likely continue their monetary tightening. The hardening of central bank policies should accelerate with the end of quantitative easing from the ECB and a Fed inclined to continue its interest rate rises during the year. However, the latter may see a pause due to a hardening in financial conditions, their impact on the US business cycle and stress in the financial markets.

In this context, equity investors should count on performances in single figures in 2019, driven mainly by a moderate growth in profits.

The realised volatility of the asset class rose sharply in 2018, from 3.5% in 2017 to 5% on average over the year on the Thompson Reuters Global Focus index. The performance was largely driven by the United States, particularly the tech and pharma sectors, which are widely represented in the overall convertibles universe. After the heavy falls in the fourth quarter all regions moved into the red. They all performed badly in roughly similar proportions, -5.33% in Japan (consolidation of the increase at the end of 2017), -3.99% in Europe, -2.98% in Asia Pacific and -2.25% in the US.

There were several interesting elements in the primary market in 2018. US issues were at their highest since 2008 at \$51bn. In contrast, the European market generated only \$11.9bn, the lowest level since 2011. Issues in Asia and Japan rose respectively to \$16.2bn and \$5.3bn. Another significant fact was that Chinese domestic issues represented \$16.9bn, but these are not at the moment part of the Thompson Reuters indices.

We continue to anticipate an active US primary market in 2019, given the rise in interest rates, the realised volatility, higher credit spreads and attractive equity valuations for issuers.

Overall, the performance of the UBAM Convertibles Global 10-40 was -7.05% from 29 December 2017 to the end of 2018. The fund benchmark, the Thompson Reuters Global Convertible Focus recorded -5.45% for 2018.

Past performances are no guarantee of future performance.

Main movements in the portfolio during the financial year

Securities	Movements ("Accounting currency")	
	Purchases	Sales
CP FOODS 0.5% 22-09-21	1 868 492.31	5 126 692.17
BGHTB 0 09/18/19	1 131 276.48	5 336 396.13
CHIN OVER FIN ZCP 05-01-23 CV	1 054 786.57	5 309 586.91
BALFOUR BEATTY 1.875 03/12/18 CV	1 704 554.98	4 114 750.35
ENI ZCP 13-04-22 EMTN	1 563 000.00	3 587 630.00
TESLA 1.25% 01/03/2021	1 151 250.81	3 722 261.33
FRESENIUS SE ZCP 31-01-24	2 420 400.00	2 412 850.00
GRAN CITY PRO 0.25% 02-03-22	0.00	4 593 831.12
SAREPTA THERAPEUTICS 1.5% 15-11-24	1 328 672.01	3 131 572.81
VEOL ENVI ZCP 15-03-21	1 200 000.00	3 056 244.00

EFFICIENT MANAGEMENT TECHNIQUES OF THE PORTFOLIO AND DERIVATIVE FINANCIAL INSTRUMENTS**a) Exposure resulting from efficient management techniques of the portfolio and derivative financial instruments**

- Exposure resulting from efficient management techniques:
 - **Security lending:**
 - **Security borrowing:**
 - **Repurchase transactions:**
 - **Reverse repurchase transactions:**
- Underlying exposure resulting from derivative financial instruments: **144 995 781.83**
 - **Currency forward exchange contracts: 123 966 233.85**
 - **Futures: 21 002 348.72**
 - **Options: 27 199.26**
 - **Swaps:**

b) Identity of counterparties linked to the efficient management techniques of the portfolio and derivative financial instruments

Efficient management techniques	Derivative financial instruments (*)
	DISCOUNT BANK SA LUXEMBOURG

(*) not including listed derivatives.

c) Financial guarantees received by the Fund in order to reduce counterparty risk

Type of instrument	Amount in the portfolio currency
Efficient management techniques	
. Term deposits	
. Equities	
. Bonds	
. UCITS	
. Cash (**)	1 210 000.00
Total	1 210 000.00
Derivative financial instruments	
. Term deposits	
. Equities	
. Bonds	
. UCITS	
. Cash	
Total	

(**) The Cash Account also includes cash resulting from repurchase agreements.

d) Revenues and operating expenses linked to efficient management techniques

Revenues and operating expenses	Amount in the portfolio currency
. Revenues (***)	
. Other revenues	
Total revenues	
. Direct operating expenses	
. Indirect operating expenses	
. Other expenses	
Total expenses	

(***) Revenues from repurchase agreements.

Regulatory information

• VOTING RIGHTS

In accordance with the applicable regulations and UBP's internal directives, UBI has implemented a voting policy suited to its activities. This policy stipulates the circumstances in which we intend to exercise the voting rights that come with ownership of shares in the UCITS we manage. This policy is available upon request from the management company.

UBP ASSET MANAGEMENT (France)
UNION BANCAIRE GESTION INSTITUTIONNELLE (France) SAS
116 avenue des Champs Elysées 75008 PARIS.
e-mail: ubpamfrance@ubp.com

• PROCEDURE FOR SELECTING INTERMEDIARIES

In accordance with the AMF General Regulations, the management company has set up a "best selection/best execution" policy for selecting intermediaries and counterparties, which is available to investors on the website of the management company www.ubpamfrance.com. The objective of this policy is to select traders and intermediaries based on predefined criteria and whose execution policy will ensure the best execution of orders. On the same website, you will find the report relating to intermediation fees.

• ENVIRONMENTAL, SOCIAL AND GOVERNANCE CRITERIA (ESG)

Information relating to the environmental, social and governance criteria (ESG) is available on the asset management company's website www.ubpamfrance.com.

• REMUNERATION POLICY

Quantitative and qualitative elements relating to remuneration

The company is approved by the Autorité des Marchés Financiers as a Fund manager and Alternative Investment Fund manager. It also manages mandates on an ancillary basis.

Remuneration paid by the company to its staff is composed of fixed remuneration and may, if financial conditions permit, include a variable component in the form of a discretionary bonus based on criteria adapted to each person.

The remuneration policy promotes sound and efficient management of risks and does not encourage excessive risk-taking in contravention of the risk-profile, the regulations or the fund instruments managed.

The objective of the remuneration policy is to encourage the alignment of risks taken by staff with those of the funds, the investors in the funds and those of the management company itself.

The company takes account when fixing variable remuneration of the combination of evaluation of individual performance, the general financial situation of the company and the results of the Group to which it belongs (UBP Group). The evaluation of individual performance is based on quantitative criteria (financial) and qualitative (non-financial).

The remuneration policy provides for a structured system of remuneration oriented on a long-term vision. It incorporates the remuneration policy into risk management of the company and that of UBP Group and encourages the staff concerned to promote sustainable success and the stability of the company and the UBP Group.

The company remuneration policy was reviewed in June 2018 in order to bring it into compliance with the provisions resulting from the UCITS Directive. It is available on the company website. It is subject to an annual audit. In 2018 no significant observations were formulated.

No staff member is allocated to a particular fund, group of funds or mandate(s). The quantitative data below are expressed pro-rata of the funds concerned within the total of assets under management of the company with all forms of management combined (UCITS, AIFs and mandates) as noted at the close of the financial year ended at 31 December 2018.

Table relating to the quantitative elements:

UBAM CONVERTIBLES GLOBAL 10-40

<i>Year of attribution</i>	number of beneficiaries	2018 in KEUR
Total Staff (Management Company)		
Gross fixed salaries	29	130
Variable remuneration		73
General total		203
Staff with bearing on the risk profile		
Gross fixed salaries	20	110
Variable remuneration		66
General total		176

- **CALCULATION METHOD OF THE GLOBAL RISK**

The method of calculating the overall risk ratio is the Value at Risk (VaR) method.

The general level of leverage, calculated as the total sum of the notional values of the derivatives used, will be 250%. It is possible for the Fund to have a higher level of leverage.

The VaR is calculated with a confidence interval of 99% and a horizon of 20 days.

Fund	Calculation method	VaR			Monitoring period of the VaR	Parameter models used	Influence
		Average	Min.	Max.			Average level
UBAM CONVERTIBLES GLOBAL 10-40	Absolute VaR	9.1%	7.7%	11.3%	From 2 January to 31 December 2018	Factor push / 99% confidence interval, 20 days holding period, 9-year historical period	208.9%

Annual Accounts

Balance sheet - Assets (in EUR)

	31/12/2018	29/12/2017
NET FIXED ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	109 302 074.57	234 777 178.47
Equities and similar securities	1 032 139.30	1 297 773.70
Traded on a regulated or similar market	1 032 139.30	1 297 773.70
Not traded on a regulated or similar market		
Bonds and similar securities	108 026 794.69	232 543 420.86
Traded on a regulated or similar market	108 026 794.69	232 543 420.86
Not traded on a regulated or similar market		
Debt securities		
Traded on a regulated or similar market		
Negotiable debt securities		
Other debt securities		
Not traded on a regulated or similar market		
Undertakings for collective investment		
UCITS retail funds and AIFs aimed at non-professional and equivalent investors from other countries		
Other Funds aimed at non-professional and equivalent investors from the EU member states		
Professional retail and other equivalent Funds from other EU member states and listed securitization vehicles		
Other professional or equivalent investment funds from other EU member states and unlisted securitization vehicles		
Other non-European funds		
Repurchase agreements		
Receivables on securities received under a repurchase agreement		
Receivables on loaned securities		
Borrowed securities		
Securities transferred under a repurchase agreement		
Other temporary transactions		
Derivative instruments	243 140.58	935 983.91
Transactions on a regulated or similar market	243 140.58	935 983.91
Other transactions		
Other financial instruments		
RECEIVABLES	125 697 922.98	244 250 568.34
Currency forward exchange contracts	123 966 233.85	236 529 582.11
Other	1 731 689.13	7 720 986.23
FINANCIAL ACCOUNTS	5 380 479.38	13 440 340.46
Cash	5 380 479.38	13 440 340.46
TOTAL ASSETS	240 380 476.93	492 468 087.27

Annual Accounts

Balance sheet - Liabilities (in EUR)

	31/12/2018	29/12/2017
EQUITY CAPITAL		
Capital	119 577 673.77	237 892 416.97
Accumulated undistributed net realised gain (a)		
Retained earnings (a)	13.32	64.19
Net realised gain (loss) for the year (a, b)	-4 916 021.75	16 293 518.75
Profit or loss (a, b)	42 218.28	190 230.77
TOTAL EQUITY CAPITAL *	114 703 883.62	254 376 230.68
Amount representing net assets		
FINANCIAL INSTRUMENTS	241 806.77	132 960.41
Sales of financial instruments		
Repurchase agreements		
Payables on securities under a repurchase agreement		
Payables on borrowed securities		
Other temporary transactions		
Derivative instruments	241 806.77	132 960.41
Transactions on a regulated or similar market	241 806.77	132 960.41
Other transactions		
PAYABLES	125 434 786.52	237 958 896.16
Currency forward exchange contracts	124 045 510.36	234 108 861.60
Other	1 389 276.16	3 850 034.56
FINANCIAL ACCOUNTS	0.02	0.02
Current bank account overdrafts	0.02	0.02
Loans		
TOTAL LIABILITIES	240 380 476.93	492 468 087.27

(a) Including adjusted accounts

(b) Reduced by interim dividends paid for the financial year

Annual Accounts

Off-Balance Sheet (in EUR)

	31/12/2018	29/12/2017
HEDGING TRANSACTIONS		
Commitments on regulated or similar markets		
Futures contracts		
FV CBOT UST 5 0318		20 145 567.27
FV CBOT UST 5 0319	17 026 748.72	
XEUR FGBM BOB 0318		16 714 470.00
XEUR FGBM BOB 0319	3 975 600.00	
OTC commitments		
Other commitments		
OTHER TRANSACTIONS		
Commitments on regulated or similar markets		
Options		
DEUTSCHE POST NAMEN 12/2019 CALL 40	8 289.23	599 452.94
SAINT-GOBAIN 06/2019 CALL 52	18 910.03	408 312.51
SIEMENS AG NAMEN 12/2019 CALL 120		2 540 005.93
VINCI (EX SGE) 12/2021 CALL 80		859 254.86
OTC commitments		
Other commitments		

Annual Accounts

Profit and Loss Statement (in EUR)

	31/12/2018	29/12/2017
Income from financial transactions		
Income from deposits and financial accounts	11 796.47	5 161.35
Income from equities and similar securities	120 592.14	151 005.53
Income from bonds and similar securities	1 574 377.42	2 065 888.91
Income from debt securities		
Income from repurchase agreements		
Income from derivative instruments		
Other financial income		
TOTAL (1)	1 706 766.03	2 222 055.79
Payables on financial transactions		
Payables on repurchase agreements		
Payables on derivative instruments		
Payables on financial debts	18 434.22	18 051.90
Other financial payables		
TOTAL (2)	18 434.22	18 051.90
PROFIT FROM FINANCIAL TRANSACTIONS (1 - 2)	1 688 331.81	2 204 003.89
Other income (3)		
Management fees and depreciation provisions (4)	1 546 309.55	1 887 894.74
NET PROFIT FOR THE YEAR (L. 214-17-1) (1 - 2 + 3 - 4)	142 022.26	316 109.15
Financial year revenue adjustments (5)	-99 803.98	-125 878.38
Interim dividends paid for the financial year (6)		
PROFIT (1 - 2 + 3 - 4 + 5 - 6)	42 218.28	190 230.77

Notes to the annual accounts – Accounting rules and methods

The annual accounts are presented in accordance with the ANC 2014-01 Regulation as modified.

General accounting principles apply:

- a true and fair view, comparability and operational continuity,
- lawfulness, accuracy,
- prudence,
- consistency of methods from one financial year to the next.

The accounting method used for recording fixed revenue securities income is based on interest received.

Entries and disposals of securities are accounted for exclusive of charges.

The reference accounting currency for the portfolio is the Euro.

The financial year period is 12 months.

Asset valuation rules

Financial instruments are accounted for according to the historical cost method and recorded on the balance sheet at their current value, which is determined by the latest known market value or, if there is no market, by any external means, or by recourse to financial models.

Differences between the current values used in calculating the net asset value and historical costs of transferable securities when they enter the portfolio are recorded in "valuation differences" accounts.

Securities that are not in the portfolio currency are valued in accordance with the principle stated below, then converted into the portfolio currency based on the exchange rate on the day of valuation.

Deposits:

Deposits with a residual lifetime of less than or equal to three months are valued according to the straight-line method.

Equities, bonds and other securities traded on a regulated or similar market:

For the calculation of net asset value, shares and other securities traded on a regulated market or similar are valued according to the day's closing share price.

Bonds and similar securities are valued at the closing price communicated by various financial services providers. The accrued interest of bonds and similar securities is calculated up to the date of the net asset value.

Equities, bonds and other securities not traded on a regulated or similar market:

Securities not traded on a regulated market are valued by the Board of Directors, using methods based on goodwill value and return and taking into account the prices used during recent significant transactions.

Negotiable debt securities:

Negotiable debt securities and similar securities which are not traded in large volumes are valued on an actuarial basis using a reference rate as defined below, increased if needed by a margin representative of the intrinsic characteristics of the issuer:

Negotiable debt securities for which the maturity date is less than or equal to one year: interbank rate in euros (Euribor);

Negotiable debt securities for which the maturity date is more than one year: BTAN rates (Bons du Trésor à Intérêts Annuels Normalisés - standard annual interest French treasury bills) or OAT rates (Obligations Assimilables du Trésor - fungible French treasury bonds) with near-term maturity for longer periods.

Negotiable debt securities with a residual lifetime of less than or equal to three months may be valued according to the straight-line method.

Treasury bills are valued at the market rate communicated daily by the Banque de France.

UCIs held:

UCI units or shares are valued at the last known net asset value.

Repurchase agreements:

Securities received under a repurchase agreement are posted to assets in the "Receivables on securities received under a repurchase agreement" section in the amount provided for by the contract, increased by accrued interest receivable.

Securities given under a repurchase agreement are posted to the buyer portfolio at their current value. The debt for securities given under a repurchase agreement is posted to the seller portfolio at the value fixed in the contract, increased by accrued interest payable.

Loaned securities are valued at their current value and posted to assets in the "Loaned securities receivables" section at their current value, increased by accrued interest receivable.

Borrowed securities are posted to assets in the "Borrowed securities" section in the amount provided for by the contract and to liabilities in the "Payables on borrowed securities" section in the amount provided for by the contract, increased by accrued interest payable.

Derivative instruments:**Futures traded on a regulated or similar market:**

Futures traded on regulated markets are valued at the daily settlement price.

Derivative instruments not traded on a regulated or similar market:**Swaps:**

Interest rate and/or currency rate swap contracts are valued at their market value according to the price calculated by updating of future interest flows to market interest and/or currency rates. This price is adjusted to the issuer's risk.

Index swaps are valued actuarially on the basis of a benchmark rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated by the asset management company.

Off-balance sheet commitments:

Futures contracts are recorded at their market value as off-balance-sheet commitments at the price used in the portfolio.

Options are converted using the underlying equivalent value.

Commitments on swap contracts are presented at their nominal value or, in the absence of a nominal value, at an equivalent amount.

Management fees

Management fees are calculated on the net assets on each valuation. These fees are charged to the profit or loss account of the fund.

Management fees are paid in full to the management company, which takes responsibility for all the operational expenses of the fund.

Management fees do not include transaction fees.

The accrued fees take into account the maximum rate of fees based on net assets indicated in the prospectus of the fund.

AC EUR shares: 1% % including tax

AD EUR shares: 1% % including tax

AHC CHF shares: 1% % including tax

AHC USD shares: 1% % including tax

AHD USD shares: 1% % including tax.

UD EUR shares: 0.70% % including tax

UHD GBP shares: 0,70% % including tax

ZC EUR shares: 0,20% % including tax

Allocation of distributable amounts

Definition of distributable amounts:

Distributable amounts are constituted by:

The income:

The net income of the year is equal to the interest, arrears, premiums and lots, dividends, attendance fees, and all other income relating to the securities in the portfolio, plus the sums temporarily available and less the total of management fees and borrowing costs.

It is increased by the balance brought down and increased or decreased by the balance of prepayments and accrued income for the year.

Realised gains (losses):

The realised gains, net of fees, less realised losses, net of fees, for the financial year, increased by net realised gains not distributed or accumulated from previous financial years and decreased or increased by the balance of the adjusted realised gains account.

Allocation of distributable amounts:

<i>Distributable amounts</i>	AC EUR, AHC CHF, AHC USD, ZC EUR shares	AD EUR, UD EUR shares
Allocation of net income	Accumulation	Distribution and/or carried forward and/or accumulation
Allocation of net realised gain (loss)	Accumulation	Distribution and/or carried forward and/or accumulation

Annual accounts

Changes in net assets (in EUR)

	31/12/2018	29/12/2017
NET ASSETS AT THE BEGINNING OF THE FINANCIAL YEAR	254 376 230.68	200 282 125.25
Subscriptions (including subscription fees paid to the Fund)	30 606 462.67	109 933 284.91
Redemptions (less redemption fees paid to the Fund)	-161 582 527.17	-60 428 335.71
Gains realized on deposits and financial instruments	11 983 897.17	11 541 959.39
Losses realized on deposits and financial instruments	-6 572 652.34	-2 563 698.81
Gains realized on derivative instruments	27 701 050.62	37 517 696.28
Losses realized on derivative instruments	-34 011 362.55	-27 636 724.52
Transaction fees	-358 468.62	-529 794.58
Foreign exchange differences	4 129 694.20	-18 875 269.90
Variations in the valuation difference of deposits and financial instruments	-11 460 533.57	5 193 752.12
<i>Valuation difference for financial year N</i>	-5 189 931.61	6 270 601.96
<i>Valuation difference for financial year N-1</i>	-6 270 601.96	-1 076 849.84
Variations in the valuation difference of forward financial instruments	-249 929.73	-357 244.93
<i>Valuation difference for financial year N</i>	-560 170.77	-310 241.04
<i>Valuation difference for financial year N-1</i>	310 241.04	-47 003.89
Prior year distribution of net realized gains (losses)		
Prior year income distribution		-17 627.97
Net earnings for the financial year before adjustments	142 022.26	316 109.15
Interim dividends paid during the year from net realized gains (losses)		
Interim dividends paid during the year from net income		
Other items		
NET ASSETS AT THE END OF THE FINANCIAL YEAR	114 703 883.62	254 376 230.68

BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Fixed rate bonds traded on a regulated or similar market	1 440 481.87	1.26
Convertible bonds traded on a regulated or similar market	106 586 312.82	92.92
TOTAL BONDS AND SIMILAR SECURITIES	108 026 794.69	94.18
DEBT SECURITIES		
TOTAL DEBT SECURITIES		
LIABILITIES		
DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
TOTAL DISPOSAL TRANSACTIONS ON FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGING TRANSACTIONS		
Interest rates	21 002 348.72	18.31
TOTAL HEDGING TRANSACTIONS	21 002 348.72	18.31
OTHER TRANSACTIONS		
Equities	27 199.26	0.02
TOTAL OTHER TRANSACTIONS	27 199.26	0.02

BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY TYPE OF RATE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
Assets								
Deposits								
Bonds and similar securities	108 026 794.69	94.18						
Debt securities								
Repurchase agreements								
Financial accounts							5 380 479.38	4.69
Liabilities								
Repurchase agreements								
Financial accounts							0.02	0.00
Off-balance sheet								
Hedging transactions							21 002 348.72	18.31
Other transactions								

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY RESIDUAL MATURITY

	< 3 months	%	3 months - 1 year	%	1 - 3 years	%	3 - 5 years	%	> 5 years	%
Assets										
Deposits										
Bonds and similar securities	2 611 805.43	2.28	5 893 651.99	5.14	26 035 624.17	22.70	42 965 531.93	37.46	30 520 181.17	26.61
Debt securities										
Repurchase agreements										
Financial accounts	5 380 479.38	4.69								
Liabilities										
Repurchase agreements										
Financial accounts	0.02	0,00								
Off-balance sheet										
Hedging transactions			21 002 348.72	18.31						
Other transactions										

Interest rate futures are presented according to the maturity date of the underlying item.

BREAKDOWN OF ASSETS, LIABILITY AND OFF-BALANCE SHEET ITEMS BY LISTING CURRENCY OR VALUATION CURRENCY (non-Euro)

	Currency 1 CHF	%	Currency 2 USD	%	Currency 3 GBP	%	Currency N OTHER(S)	%
Assets								
Deposits								
Equities and similar securities			656 331.88	0.57			375 807.42	0.33
Bonds and similar securities	2 134 003.49	1.86	61 153 826.28	53.31	2 180 993.03	1.90	16 317 095.51	14.23
Debt securities								
UCI								
Repurchase agreements								
Receivables	27 957 467.46	24.37	6 966 014.31	6.07	156 385.08	0.14	401 740.36	0.35
Financial accounts	1 855.78	0.00	10 045.58	0.01	651.77	0.00	85.82	0.00
Liabilities								
Disposal transactions on financial instruments								
Repurchase agreements								
Payables	2 702 666.90	2.36	66 630 424.39	58.09	2 193 207.66	1.91	17 087 017.62	14.90
Financial accounts								
Off-balance sheet								
Hedging transactions			17 026 748.72	14.84				
Other transactions								

VENTILATION PAR NATURE DES POSTES CRÉANCES ET DETTES

	Type of debit/credit	31/12/2018
Receivables	Forward currency purchases	35 345 227.19
	Funds to be received from forward currency sales	88 621 006.66
	Sales with deferred settlement terms	49 894.08
	Subscriptions to be received	21 930.93
	Margin deposits in cash	144 540.87
	Coupons and dividends in cash	25 323.25
	Collaterals	1 490 000.00
Total receivables		125 697 922.98
Payables	Forward currency sales	- 88 613 293.62
	Funds to be paid on forward currency purchases	- 35 432 216.74
	Purchases with deferred settlement terms	- 22.95
	Redemptions to pay	- 99 671.22
	Management fees	- 73 015.45
	Collaterals	- 1 210 000.00
	Other payables	- 6 566.54
Total payables		- 125 434 786.52
Total payables and receivables		263 136.46

EQUITY CAPITAL

Number of securities issued or redeemed

	In shares	In amount
A-C (EUR) shares		
Shares subscribed during the financial year	17 591.921	19 023 199.71
Shares redeemed during the financial year	-77 438.785	-82 751 464.46
Balance of shares at the end of the financial year	49 041.243	
A-D (EUR) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-9 800.000	-10 416 798.00
Balance of shares at the end of the financial year	2 474.000	
AH-C (CHF) shares		
Shares subscribed during the financial year	1 471.137	1 729 857.81
Shares redeemed during the financial year	-31 523.151	-37 323 471.53
Balance of shares at the end of the financial year	24 235.000	

EQUITY CAPITAL
Number of securities issued or redeemed

	In shares	In amount
AH-C (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-55.000	-70 499.05
Balance of shares at the end of the financial year	1 388.383	
Z-C (EUR) shares		
Shares subscribed during the financial year	4 584.000	5 068 958.91
Shares redeemed during the financial year	-21 780.000	-24 051 353.39
Balance of shares at the end of the financial year	31 925.000	
AH-D (USD) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year	-173.714	-216 459.80
Balance of shares at the end of the financial year	104.000	
UH-D (GBP) shares		
Shares subscribed during the financial year		
Shares redeemed during the financial year		
Balance of shares at the end of the financial year	136.000	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
A-C (EUR) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	
A-D (EUR) shares	
Redemption fees retained	
Subscription fees retained	
Total fees retained	

SUBSCRIPTIONS AND/OR REDEMPTION FEES

	In amount
AH-C (CHF) shares Redemption fees retained Subscription fees retained Total fees retained	
AH-C (USD) shares Redemption fees retained Subscription fees retained Total fees retained	
Z-C (EUR) shares Redemption fees retained Subscription fees retained Total fees retained	
AH-D (USD) shares Redemption fees retained Subscription fees retained Total fees retained	
UH-D (GBP) shares Redemption fees retained Subscription fees retained Total fees retained	

MANAGEMENT FEES

	31/12/2018
A-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	927 777.82 1.00

MANAGEMENT FEES

	31/12/2018
A-D (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 69 129.40 1.00
AH-C (CHF) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 459 669.99 1.00
AH-C (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 18 497.72 1.00
Z-C (EUR) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 42 666.86 0.10
AH-D (USD) shares Guarantee commissions Fixed management fees Percentage of fixed management fees Variable management fees Retroceded management fees	 1 597.94 1.00

MANAGEMENT FEES

	31/12/2018
UH-D (GBP) shares	
Guarantee commissions	
Fixed management fees	1 064.27
Percentage of fixed management fees	0.70
Variable management fees	
Retroceded management fees	

COMMITMENTS RECEIVED AND GIVEN

	31/12/2018
Guarantees received by the fund	
- capital guarantees	
Other commitment received	
Other commitment given	

OTHER INFORMATION

Current value of securities subject to temporary acquisition

	31/12/2018
Securities provided under a repurchase agreement	
Borrowed securities	

Current value of securities making up guarantee deposits

	31/12/2018
Financial instruments given as guarantee and maintained in the original item	
Financial instruments received as guarantee and not posted to the balance sheet	

Financial instruments held, issued and/or managed by the Group

	Code Isin	Description	31/12/2018
Equities			
Bonds			
Negotiable debt securities			
UCI			
Derivative instruments			
Total Group securities			

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
Amounts still to be allocated		
Retained earnings	13.32	64.19
Income	42 218.28	190 230.77
Total	42 231.60	190 294.96

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-119 384.01	-135 207.11
Total	-119 384.01	-135 207.11

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-5 917.23	-14 955.11
Total	-5 917.23	-14 955.11

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-64 695.66	-77 870.55
Total	-64 695.66	-77 870.55

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation		88.00
Total		88.00

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-4 285.43	-2 313.48
Total	-4 285.43	-2 313.48

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	236 722.79	421 005.29
Total	236 722.79	421 005.29

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Retained earnings for the financial year		
Accumulation	-316.83	-440.53
Total	-316.83	-440.53

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE INCOME FOR THE YEAR

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution	107.44	
Retained earnings for the financial year	0.53	
Accumulation		-11.55
Total	107.97	-11.55
Information relating to shares giving rights to distribution		
Number of shares	136.000	136.000
Unit distribution	0.79	
Tax credits		
Tax credits attached to the distribution of income	30.52	

ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM NET REALISED GAINS/LOSSES

	31/12/2018	29/12/2017
Amounts still to be allocated		
Accumulated undistributed net realized gain (loss)		
Net realized gain (loss) for the financial year	-4 916 021.75	16 293 518.75
Interim dividends paid during the financial year from net realized gains (losses)		
Total	-4 916 021.75	16 293 518.75

	31/12/2018	29/12/2017
A-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-2 591 487.95	10 306 560.02
Total	-2 591 487.95	10 306 560.02

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
A-D (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-128 717.95	1 144 343.42
Total	-128 717.95	1 144 343.42

	31/12/2018	29/12/2017
AH-C (CHF) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-451 774.79	119 134.03
Total	-451 774.79	119 134.03

	31/12/2018	29/12/2017
U-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation		-463.23
Total		-463.23

	31/12/2018	29/12/2017
AH-C (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	11 230.16	-25 499.53
Total	11 230.16	-25 499.53

**ALLOCATION TABLE FOR THE PORTION OF DISTRIBUTABLE AMOUNTS FROM
NET REALISED GAINS/LOSSES**

	31/12/2018	29/12/2017
Z-C (EUR) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-1 745 685.75	4 753 597.99
Total	-1 745 685.75	4 753 597.99

	31/12/2018	29/12/2017
AH-D (USD) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	843.99	-4 854.00
Total	843.99	-4 854.00

	31/12/2018	29/12/2017
UH-D (GBP) shares		
Allocation		
Distribution		
Undistributed net realized gain (loss)		
Accumulation	-10 429.46	700.05
Total	-10 429.46	700.05

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	86 374 095.40	257 079 720.17	200 282 125.25	254 376 230.68	114 703 883.62
UBAM CONVERTIBLES GLOBAL 10-40 AC (EUR)					
Net assets in EUR	27 203 496.37	55 788 023.82	40 287 232.57	118 008 624.88	49 404 406.46
Number of securities	26 803.814	53 544.816	38 842.702	108 888.107	49 041.243
Unit net asset value in EUR	1 014.91	1 041.89	1 037.18	1 083.76	1 007.40
Unit capitalisation of net realised gain (loss) in EUR	-7.62	-30.24	-32.43	94.65	-52.84
Unit capitalisation in EUR from income	2.25	4.61	1.62	-1.24	-2.43
UBAM CONVERTIBLES GLOBAL 10-40 AD(EUR)					
Net assets in EUR	6 850 233.40	10 230 826.69	11 175 604.24	13 096 973.92	2 453 892.03
Number of securities	6 800.000	9 913.000	10 927.000	12 274.000	2 474.000
Unit net asset value in EUR	1 007.38	1 032.06	1 022.75	1 067.05	991.87
Unit capitalisation of net realised gain (loss) in EUR	-4.91	-30.05	-31.93	93.23	-52.02
Unit capitalisation in EUR from income				-1.21	-2.39
Unit distribution in EUR from income	2.21	4.58	1.60		
Unit retained earnings in EUR from income					
Unit tax credits in EUR			0.074		
UBAM CONVERTIBLES GLOBAL 10-40 AHC (CHF)					
Net assets in CHF	2 044 344.73	55 918 565.50	67 340 097.76	74 931 735.53	30 877 359.63
Number of securities	1 550.000	41 647.000	50 673.960	54 287.014	24 235.000
Unit net asset value in CHF	1 318.93	1 342.67	1 328.88	1 380.28	1 274.08
Unit capitalisation of net realised gain (loss) in EUR	0.21	60.86	-38.09	2.19	-18.64
Unit capitalisation in EUR from income	2.43	5.40	1.89	-1.43	-2.66

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	86 374 095.40	257 079 720.17	200 282 125.25	254 376 230.68	114 703 883.62
UBAM CONVERTIBLES GLOBAL 10-40 UC (EUR)					
Net assets in EUR				2 119 138.52	
Number of securities				2 120.000	
Unit net asset value in EUR				999.59	
Unit capitalisation of net realised gain (loss) in EUR				-0.21	
Unit capitalisation in EUR from income				0.04	
UBAM CONVERTIBLES GLOBAL 10-40 AHC (USD)					
Net assets in USD	673 242.04	72 723 442.65	5 831 479.46	2 254 639.58	2 067 483.67
Number of securities	476.000	50 081.162	3 977.162	1 443.383	1 388.383
Unit net asset value in USD	1 414.37	1 452.11	1 466.24	1 562.05	1 489.13
Unit capitalisation of net realised gain (loss) in EUR	13.34	168.06	64.14	-17.66	8.08
Unit capitalisation in EUR from income	2.44	5.64	2.08	-1.60	-3.08
UBAM CONVERTIBLES GLOBAL 10-40 UD (EUR)					
Net assets in EUR		331 827.71			
Number of securities		330.000			
Unit net asset value in EUR		1 005.53			
Unit capitalisation of net realised gain (loss) in EUR		2.24			
Unit capitalisation in EUR from income		-0.07			
UBAM CONVERTIBLES GLOBAL 10-40 ZC (EUR)					
Net assets in EUR	50 065 626.03	72 321 421.87	80 198 533.84	54 727 461.53	33 363 385.75
Number of securities	49 296.000	68 744.000	75 893.000	49 121.000	31 925.000
Unit net asset value in EUR	1 015.61	1 052.03	1 056.73	1 114.13	1 045.05
Unit capitalisation of net realised gain (loss) in EUR	-7.62	-30.30	-33.02	96.77	-54.68
Unit capitalisation in EUR from income	2.95	14.17	10.93	8.57	7.41

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

TABLE OF EARNINGS AND OTHER CHARACTERISTIC ITEMS FOR THE ENTITY DURING THE LAST FIVE FINANCIAL YEARS

	31/12/2014	31/12/2015	30/12/2016	29/12/2017	31/12/2018
Total net assets in EUR	86 374 095.40	257 079 720.17	200 282 125.25	254 376 230.68	114 703 883.62
UBAM CONVERTIBLES GLOBAL 10-40 AHD (USD)					
Net assets in USD			403 141.30	429 207.64	153 235.18
Number of securities			277.714	277.714	104.000
Unit net asset value in USD			1 451.64	1 545.50	1 473.41
Unit capitalisation of net realised gain (loss) in EUR			88.04	-17.47	8.11
Unit capitalisation in EUR from income				-1.58	-3.04
Unit distribution in EUR from income			0.89		
Unit retained earnings in EUR from income					
Unit tax credits in EUR			0.099		
UBAM CONVERTIBLES GLOBAL 10-40 UHD (GBP)					
Net assets in GBP				135 670.36	127 417.79
Number of securities				136.000	136.000
Unit net asset value in GBP				997.57	936.89
Unit capitalisation of net realised gain (loss) in EUR				5.14	-76.68
Unit capitalisation in EUR from income				-0.08	
Unit distribution in EUR from income					0.79
Unit retained earnings in EUR from income					
Unit tax credits in EUR					*

* The unit tax credit will only be determined on the date of distribution, in accordance with tax provisions in force.

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
Equities and similar securities				
Equities and similar securities traded on a regulated or similar market				
BERMUDA				
YUEXIU TRANSPORT INFRASTRUCTUR	HKD	567 349	375 807.42	0.33
TOTAL BERMUDA			375 807.42	0.33
USA				
BANK OF AMER 7.25% 31-12-99	USD	600	656 331.88	0.57
TOTAL USA			656 331.88	0.57
TOTAL Equities & similar sec traded on reg mkt or similar			1 032 139.30	0.90
TOTAL Equities and similar securities			1 032 139.30	0.90
Bonds and similar securities				
Bonds and similar securities traded on a regulated or similar market				
GERMANY				
BASF 0.925% 09-03-23 EMTN	USD	2 250 000	1 784 336.79	1.56
BAYER 0.05% 15-06-20	EUR	1 200 000	1 193 192.05	1.04
DEUTSCHE WOHNEN AG 0.6% 05-01-26	EUR	2 200 000	2 336 393.67	2.04
FRESENIUS SE ZCP 31-01-24	EUR	2 000 000	1 909 540.00	1.66
LEG IMMOBILIEN AG 0.875% 01-09-25	EUR	1 500 000	1 609 675.86	1.40
SYMRISE AG 0.2375% 20-06-24	EUR	1 200 000	1 276 214.22	1.11
TOTAL GERMANY			10 109 352.59	8.81
BELGIUM				
COFINIMMO SA 0.1875% 15-09-21	EUR	7 500	1 075 657.50	0.94
TOTAL BELGIUM			1 075 657.50	0.94
BERMUDA				
JAZZ INVESTMENTS I 1.5% 15-08-24	USD	1 940 000	1 544 053.62	1.35
TOTAL BERMUDA			1 544 053.62	1.35
CHINA				
CHINA RAILWAY CONSTR 1.5% 21-12-21	CNH	17 000 000	2 148 643.19	1.88
ZHEJIANG EXPRESSWAY ZCP 21-04-22	EUR	1 000 000	955 220.00	0.83
TOTAL CHINA			3 103 863.19	2.71
SPAIN				
INTL CONS AIR 0.25% 17-11-20	EUR	1 000 000	986 374.59	0.86
INTL CONSOLIDATED AIRLINES GROU 0.625% 17-11-22	EUR	900 000	874 909.32	0.76
TELE ZCP 09-03-21 EMTN	EUR	2 100 000	2 072 679.00	1.81
TOTAL SPAIN			3 933 962.91	3.43

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
USA				
AIR TRANSPORT SERVICES GROUP 1.125% 15-10-24	USD	1 010 000	843 775.62	0.74
AKAMAI TECHNOLOGIES 0.125% 01-05-25	USD	1 300 000	1 037 354.90	0.90
AYC FINANCE 0.5% 02/05/2019 CV	USD	2 000 000	1 759 855.41	1.53
BIOMARIN PHARMACEUTICAL 0.599% 01-08-24	USD	1 000 000	871 601.84	0.76
BOINGO WIRELESS 1.0% 01-10-23	USD	800 000	602 029.31	0.52
BOOKING HOLDINGS INC 0.9% 15-09-21	USD	1 635 000	1 583 893.76	1.38
CYPRESS SEMICONDUCTOR 2.0% 01-02-23	USD	640 000	538 589.03	0.47
DISH NETWORK CORP 2.375% 15-03-24	USD	1 400 000	980 085.59	0.85
EXACT SCIENCES 1.0% 15-01-25	USD	570 000	550 819.96	0.48
EXTR SPAC 3.125% 01-10-35 CV	USD	950 000	907 972.76	0.79
FIREEYE 0.875% 01-06-24 CV	USD	1 400 000	1 228 268.03	1.07
IAC FINANCECO INC 0.875% 01-10-22	USD	600 000	693 126.35	0.60
ILLUMINA ZCP 15-06-19 CV	USD	520 000	553 107.42	0.48
INSMED 1.75% 15-01-25 CV	USD	1 000 000	625 656.48	0.55
JPMORGAN CHASE BANK N A ZCP 30-12-20	USD	1 600 000	1 425 991.27	1.24
LIBERTY MEDIA 2.25% 30-09-46	USD	1 330 000	545 093.83	0.48
LIVE NATION 2.5% 15-03-23 CV	USD	1 430 000	1 283 003.49	1.12
LUMENTUM 0.25% 15-03-24 CV	USD	700 000	612 347.16	0.53
MICROCHIP TECHNOLOGY 1.625% 15-02-27	USD	1 360 000	1 159 651.41	1.01
NABORS INDUSTRIES 0.75% 15-01-24	USD	1 600 000	874 941.48	0.76
NATL GRI 0.9% 02-11-20 EMTN	GBP	800 000	879 627.46	0.77
NRG ENERGY 2.75% 01-06-48 CV	USD	810 000	768 555.20	0.67
NUANCE COMMUNICATIONS 1.0% 15-12-35	USD	1 450 000	1 098 188.21	0.96
NUVASIVE INC 2.25% 15-03-21 CV	USD	630 000	583 374.50	0.51
ON SEMICONDUCTOR 1.625% 15-10-23	USD	1 300 000	1 218 015.79	1.06
PALO ALTO NETWORKS 0.75% 01-07-23	USD	1 400 000	1 215 740.03	1.06
PATRICK INDUSTRIES 1.0% 01-02-23	USD	1 600 000	1 061 403.98	0.93
PERFICIENT 2.375% 15-09-23 CV	USD	1 000 000	783 889.86	0.68
RAMBUS INC 1.375% 01-02-23 CV	USD	1 275 000	973 371.25	0.85
SAREPTA THERAPEUTICS 1.5% 15-11-24	USD	320 000	467 668.12	0.41
SPLUNK 0.5% 15-09-23 CV	USD	850 000	732 886.83	0.64
SQUARE 0.5% 15-05-23 CV	USD	600 000	548 039.30	0.48
TESLA MOTORS 0.25% 03/19 CV	USD	1 000 000	906 237.75	0.79
TESLA 1.25% 01/03/2021	USD	1 170 000	1 146 555.15	1.00
TWITTER 0.25% 15-06-24 CV	USD	1 000 000	766 139.74	0.67

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
TWITTER 1.0% 15-09-21 CV	USD	730 000	584 647.12	0.51
VIAVI SOLUTIONS INC	USD	500 000	429 859.77	0.37
WELLS FARGO AND CO 7.5% 31-12-99	USD	917	1 010 622.10	0.88
WESTERN DIGITAL 1.5% 01-02-24	USD	1 290 000	918 050.00	0.80
WRIGHT MEDICAL GROUP INC 1.625% 15-06-23	USD	1 100 000	977 143.45	0.85
TOTAL USA			35 747 180.71	31.15
FRANCE				
CARREFOUR ZCP 14-06-23	USD	2 000 000	1 473 135.37	1.28
MAISON DU MONDE SAS 0.125% 06-12-23	EUR	15 000	615 465.00	0.54
ORANGE 0.375% 27-06-21	GBP	1 200 000	1 301 365.57	1.13
SAFRAN SA ZCP 21-06-23 CV	EUR	14 200	2 114 252.20	1.85
UNIB RODA SE ZCP 01-07-21 CV	EUR	3 500	1 007 867.00	0.88
VINCI 0.375% 16-02-22	USD	1 800 000	1 615 184.93	1.41
TOTAL FRANCE			8 127 270.07	7.09
HONG KONG				
CHINA CONCH VENTURE ZCP 05-09-23	HKD	9 000 000	974 438.81	0.85
CHINA YANGTZE POWER INTERNATIONAL BVI 2 ZCP 09-11-21	EUR	1 200 000	1 277 112.00	1.11
JOHNEL 1% 04/02/21	USD	2 000 000	1 895 507.04	1.66
TOTAL HONG KONG			4 147 057.85	3.62
CAYMAN ISLANDS				
CHINA MENGNIU DAIRY ZCP 05-06-22	USD	1 600 000	1 333 324.02	1.17
CTRI COM INTL 1.0% 01-07-20	USD	700 000	567 254.05	0.49
MOMO 1.25% 01-07-25 CV	USD	800 000	547 241.54	0.48
SHUI ON DEVE H 7.5% PERP CV	USD	1 500 000	1 304 543.67	1.14
VIPS 1.5% 03/15/19	USD	975 000	842 161.57	0.73
WEIBO CORP 1.25% 15-11-22 CV	USD	1 200 000	956 333.62	0.83
TOTAL CAYMAN ISLANDS			5 550 858.47	4.84
BRITISH VIRGIN ISLANDS				
SHANGHAI PORT GROUP HOLDING ZCP 09-08-22	USD	2 200 000	1 888 330.13	1.65
TOTAL BRITISH VIRGIN ISLANDS			1 888 330.13	1.65
ITALY				
SNAM ZCP 20-03-22	EUR	1 200 000	1 198 188.00	1.05
TELECOM ITALIA SPA EX OLIVETTI 1.125% 26-03-22	EUR	1 000 000	942 416.66	0.82
TOTAL ITALY			2 140 604.66	1.87
JAPAN				
ALL NIPPON AIRWAYS ZCP 16-09-22	JPY	320 000 000	2 565 975.37	2.24

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
DAIO 0 09/17/20	JPY	120 000 000	961 067.94	0.84
HIS ZCP 15-11-24 CV	JPY	90 000 000	748 991.66	0.65
KANSAI PAINT ZCP 17-06-22	JPY	110 000 000	886 144.62	0.77
KYUSEL 0 03/31/20	JPY	210 000 000	1 728 474.37	1.51
LINE ZCP 20-09-23 CV	JPY	40 000 000	303 539.13	0.26
MITSUBISHI CHEMICAL HOLD ZCP 30-03-22	JPY	330 000 000	2 642 700.83	2.31
MITSUI OSK LINES LTD ZCP 24/04/2020 CV	USD	1 600 000	1 309 400.87	1.14
RELO ZCP 22-03-21 CV	JPY	60 000 000	497 101.31	0.43
SONY ZCP 30-09-22	JPY	70 000 000	680 871.67	0.59
TOPPAN 0 12/19/19	JPY	110 000 000	870 490.27	0.76
YAMA DENK CO L ZCP 28-06-19 CV	JPY	160 000 000	1 308 656.34	1.14
TOTAL JAPAN			14 503 414.38	12.64
JERSEY				
ENSCO JERSEY FINANCE LIMITED 3.0% 31-01-24	USD	1 200 000	715 781.66	0.62
TOTAL JERSEY			715 781.66	0.62
LUXEMBOURG				
CITI GLO 0.5% 04-08-23 EMTN	EUR	1 000 000	1 109 479.44	0.97
CORESTATE CAPITAL HOLDING 1.375% 28-11-22	EUR	500 000	471 108.70	0.41
GRAN CITY PRO 0.25% 02-03-22	EUR	1 500 000	1 563 899.17	1.36
TOTAL LUXEMBOURG			3 144 487.31	2.74
MEXICO				
CEME SAB D 3.72% 15-03-20 CV	USD	1 100 000	948 737.99	0.83
TOTAL MEXICO			948 737.99	0.83
NETHERLANDS				
BREN FINA BV 1.875% 02-12-22	USD	2 250 000	1 815 383.22	1.59
IBERDROLA INTERNATIONAL BV ZCP 11-11-22 CV	EUR	1 600 000	1 651 232.00	1.44
NXP SEMI 1.0% 01-12-19 CV	USD	1 600 000	1 401 542.55	1.22
QIAGEN NV 1.0% 13-11-24 CV	USD	400 000	347 381.28	0.30
STMICROELECTRONICS NV ZCP 03-07-22	USD	1 400 000	1 227 219.21	1.07
STMICROELECTRONICS NV 0.25% 03-07-24	USD	400 000	349 708.30	0.30
TOTAL NETHERLANDS			6 792 466.56	5.92
MAURITANIA				
CANOPUS INTERNATIONAL LTD ZCP 25-01-19	USD	1 000 000	863 406.11	0.75
TOTAL MAURITANIA			863 406.11	0.75

Detailed inventory of financial instruments (in EUR)

Name of security	Currency	Qty Nbr or nominal	Current value	% Net Assets
SINGAPORE				
VALIN MINING INVEST ZCP 15-11-21	USD	1 000 000	861 100.44	0.75
TOTAL SINGAPORE			861 100.44	0.75
SWITZERLAND				
SIKA AG 0.15% 05-06-25 CV	CHF	2 360 000	2 134 003.49	1.86
TOTAL SWITZERLAND			2 134 003.49	1.86
VIETNAM				
VINPEARL JOINT STOCK COMPANY 3.5% 14-06-23	USD	800 000	695 205.05	0.61
TOTAL VIETNAM			695 205.05	0.61
TOTAL Bonds & similar sec traded on reg mkt or similar			108 026 794.69	94.18
TOTAL Bonds and similar securities			108 026 794.69	94.18
Derivative instruments				
Futures				
Futures on regulated or similar markets				
FV CBOT UST 5 0319	USD	-170	-234 306.77	-0.20
XEUR FGBM BOB 0319	EUR	-30	-7 500.00	-0.01
TOTAL Futures on regulated or similar markets			-241 806.77	-0.21
TOTAL Futures			-241 806.77	-0.21
Options				
Options on regulated or similar markets				
DEUTSCHE POST NAMEN 12/2019 CALL 40	EUR	300	600.00	
SAINT-GOBAIN 06/2019 CALL 52	EUR	734	734.00	
TOTAL Options on regulated or similar markets			1 334.00	
TOTAL Options			1 334.00	
TOTAL Derivative instruments			-240 472.77	-0.21
Margin calls				
Margin Calls C.A.Indo in \$ US	USD	268 281.03	234 306.58	0.20
Margin Calls C.A.Indo in euro	EUR	7 500	7 500.00	0.01
TOTAL Margin calls			241 806.58	0.21
Receivables			125 697 922.98	109.59
Payables			-125 434 786.52	-109.36
Financial accounts			5 380 479.36	4.69
Net assets			114 703 883.62	100.00

UBAM CONVERTIBLES GLOBAL 10-40 Sub-fund

UBAM CONVERTIBLES GLOBAL 10-40 AC (EUR)	EUR	49 041.243	1 007.40
UBAM CONVERTIBLES GLOBAL 10-40 AD(EUR)	EUR	2 474.000	991.87
UBAM CONVERTIBLES GLOBAL 10-40 AHC (CHF)	CHF	24 235.000	1 274.08
UBAM CONVERTIBLES GLOBAL 10-40 AHC (USD)	USD	1 388.383	1 489.13
UBAM CONVERTIBLES GLOBAL 10-40 ZC (EUR)	EUR	31 925.000	1 045.05
UBAM CONVERTIBLES GLOBAL 10-40 AHD (USD)	USD	104.000	1 473.41
UBAM CONVERTIBLES GLOBAL 10-40 UHD (GBP)	GBP	136.000	936.89

Additional information relating to the coupon tax system

SHARE COUPON BREAKDOWN: UH-D (GBP)

	TOTAL NET	CURRENCY	UNIT NET	CURRENCY
Income subject to compulsory tax withheld at source				
Shares giving a right to a reduction and subject to a compulsory tax withheld at source	107.44	EUR	0.79	EUR
Other income without right to a discount and subject to a compulsory tax withheld at source				
Revenue not declarable and not taxable				
Amount distributed from realised gains (losses)				
TOTAL	107.44	EUR	0.79	EUR