



ECHIQUIER CONVEXITE SRI EUROPE A

OCTOBER 2021 (data as of 10/31/2021)



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



349 M€
Net assets



1 392.93 €
NAV

Characteristics

Inception date	10/12/2006
ISIN	FR0010377143
Bloomberg code	AAMACEA FP
Base currency	EUR
Income allocation	Accumulation
Ref. Indic.	ECI-EUROPE HEDGED
Classification SFDR	Article 8

Financial information

Subscription/ redemption fee	3% max. / None
Yearly management fees	1,40% incl. taxes
Performance fee	No
Liquidity	Daily
Cut off	Noon
Settlement	D+2
Fund administrator	Société Générale
Custodian	BNP Paribas Securities Services

Risk and reward profile (%)

(based on weekly figures)

	1 year	3 Y	5 Y
Fund volatility	5.4	6.6	5.8
Ref. indicator volatility	6.3	6.8	6.1
Sharpe ratio	1.2	0.5	0.4
Beta	0.8	0.9	0.9
Correlation	1.0	1.0	0.9
Information ratio	-0.3	-1.0	-1.1
Tracking error	1.9	2.1	2.1
Max. drawdown of the fund	-3.7	-12.4	-12.4
Max. drawdown of the benchmark	-4.3	-12.8	-12.8
Recovery (business days)	-	195.0	195.0

Lower risk, potentially lower return ← 1 2 3 4 5 6 7 → Higher risk, potentially higher return

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

Recommended investment horizon

2 years

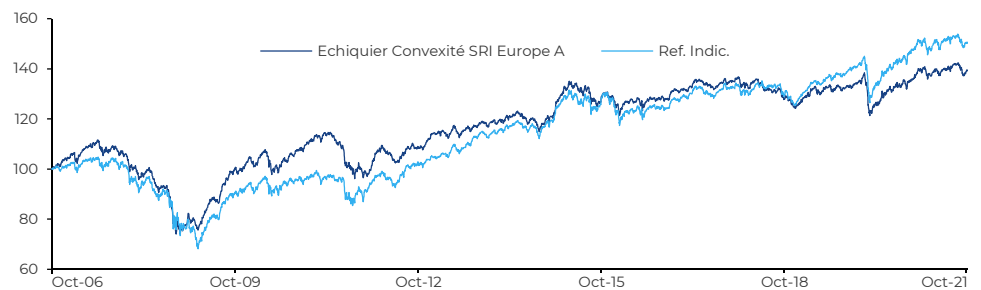
Fund Manager comments

Echiquier Convexité SRI Europe A turned in a positive monthly performance of 0.85% and of 0.93% year-to-date.

The market recovered significantly in October to reach historic levels. The increase was mainly due to companies that published spectacular results, both in absolute terms and relative to market expectations, in an environment of particularly strong investor inflows. Echiquier Convexité SRI Europe slightly outperformed its benchmark, driven by its overweighting in technology stocks such as STM, INFINEON and SOITEC. The highlight of the month was the announced acquisition of the Falck family's majority stake by a financial investor – the Infrastructure Investment Fund – allowing ECE to benefit from the change of control clause and generate +36% for the convertible versus +29% for the stock. The fund strengthened its position in the Groupe Bruxelles Lambert convertible, which is benefiting from optimal convexity on an affordable stock, with the share price trading at an NAV discount of over 25% despite a significant increase in its private equity investments. GBL also made good progress in terms of governance by implementing a new management remuneration scale that is much more in line with shareholder interests.

Fund Managers: Emmanuel Martin, Guillaume Jourdan

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



Ref. Indic.: source Bloomberg

Cumulative performance (%)

	Fund	Ref. Indic.
1 month	+0.9	+0.9
YTD	+0.9	+0.4
3 Y	+8.1	+14.8
5 Y	+8.6	+20.5
10 years	+38.1	+62.9
Since inception	+39.3	+50.2

Annualised performance (%)

	Fund	Ref. Indic.
1 year	+5.6	+6.1
3 Y	+2.6	+4.7
5 Y	+1.7	+3.8
10 years	+3.3	+5.0
Since inception	+2.2	+2.7

Performance history (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
													Fund	Ref. Indic.
2012	+5.4	+3.4	+0.0	-1.2	-3.1	+0.0	+2.6	+1.5	+0.0	+0.2	+1.1	+2.2	+13.6	+11.2
2013	+1.6	+0.4	-0.5	-0.3	+2.2	-3.1	+1.9	-0.5	+1.7	+1.3	+0.3	+0.3	+6.0	+10.1
2014	-0.4	+1.1	+1.0	+0.5	+1.0	-1.1	-1.1	-0.4	-1.1	-0.4	+2.7	+0.7	+1.8	+4.5
2015	+4.9	+3.0	+1.3	+0.6	+0.0	-2.0	+1.1	-2.8	-1.9	+2.9	+0.9	-1.2	+6.8	+7.6
2016	-2.4	-0.8	+1.6	-0.0	+1.1	-2.2	+1.9	+0.1	+0.2	+0.0	-0.3	+2.4	+1.5	-0.4
2017	-0.5	+0.9	+0.7	+1.4	+0.7	-1.2	-0.2	-0.9	+1.3	+1.3	-0.4	-0.1	+2.9	+3.5
2018	+0.7	-1.2	-1.1	+1.7	-1.1	-1.3	+0.0	-0.3	+0.6	-2.4	-1.0	-2.1	-7.4	-4.9
2019	+1.3	+1.8	+0.8	+2.5	-2.5	+1.9	+0.4	-0.3	+0.3	-0.3	+0.6	+0.6	+7.2	+11.4
2020	+0.1	-0.5	-7.6	+2.5	+1.4	+1.5	+0.5	+2.0	-0.0	-1.0	+3.0	+1.6	+3.1	+6.7
2021	+0.3	-0.7	+0.3	+0.9	+0.0	+0.4	+0.8	+0.7	-2.5	+0.9			+0.9	+0.4

For more information

The fund is invested on financial markets. It presents a risk of capital loss. Past performance is not a reliable indicator of future performance and is not constant over time. Performance of the fund and the benchmark are calculated net of income (as of the 2013 financial year). Until 2012, however, the performance of the benchmark did not include income. This commercial document aims to inform you in a simple way on the fund's characteristics. For more information about risks and fees, please refer to the KIID, prospectus or contact your usual representative. The remuneration of the distributor represents a maximum of 50% of the management fee. The fund is in compliance with Swiss law on distribution to qualified investors in Switzerland. The representative of the fund in Switzerland is Carnegie Fund Services SA, 11, rue du General-Dufour, 1204 Geneva, Switzerland. Investors may obtain from the Swiss representative, free of charge, the fund's documents, such as the prospectus, the regulation, the key investor information documents (KIIDs) and the financial reports. This document may be published, transmitted or distributed but does not constitute an offer to the public in Switzerland. The recipients of this document in Switzerland must not send it to a third party without first consulting their legal advisor or other professional advisor or the representative. For the shares of the fund distributed to qualified investors in Switzerland, the place of jurisdiction is in Geneva.

Fund Profile

Number of positions	58
Average rating (rated issuers)	BBB+
Average maturity	3.0

Yield of bond component	-2.9%
Modified duration	2.6

Source: LFDE

Convertible Bond Profile

Average premium	36.8%
Distance to bond floor	-9.1%
Convexity -20%	-6.0%
Convexity +20%	11.7%

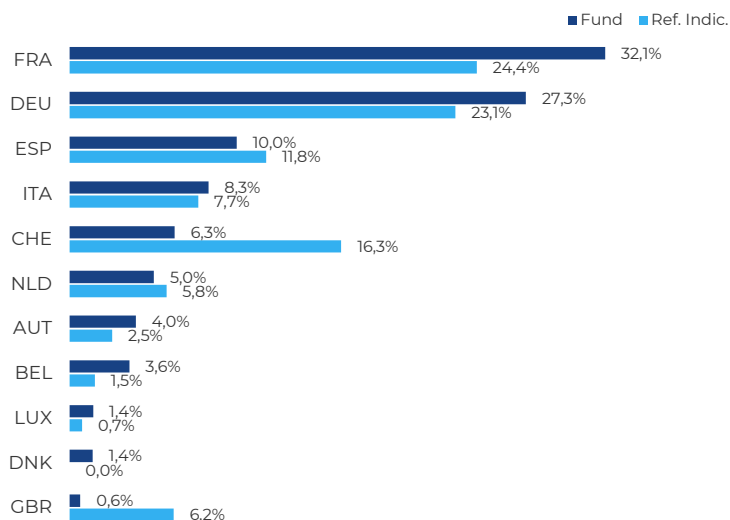
Equity sensitivity breakdown

Equity sensitivity	42.2%
<i>Including convertible bonds</i>	31.2%
<i>Including options</i>	11.0%

Source: LFDE

Geographic breakdown

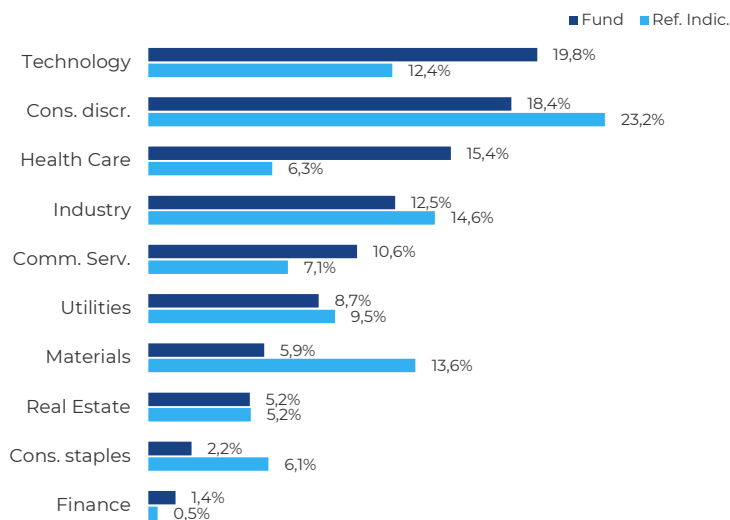
(equity sensitivity %)



Source: LFDE

Sector breakdown (GICS)

(equity sensitivity %)



Source: Bloomberg

Top holdings

% of the net assets

Name	Country	Sector	%
Edenred CV 0% 09/24	FRA	IT	3.5
Veolia Env. CV 0% 01/25	FRA	Utilities	3.3
JPM/LVMH CV 0% 06/24	FRA	Cons. discr.	3.2
JPM/Siemens CV 0% 02/24	DEU	Industry	3.0
AMX KPN CV 0% 03/24	NLD	Comm. Serv.	2.9

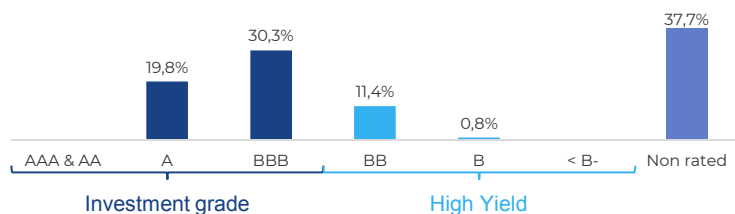
% of the equity sensitivity

Name	Country	Sector	%
SANOFI	FRA	Health Care	2.9
STMICROELECTRONICS	NLD	IT	2.0
PUMA	DEU	Cons. discr.	1.8
INFINEON TECHNO.	DEU	IT	1.7
CELLNEX	ESP	Comm. Serv.	1.7

Source: LFDE

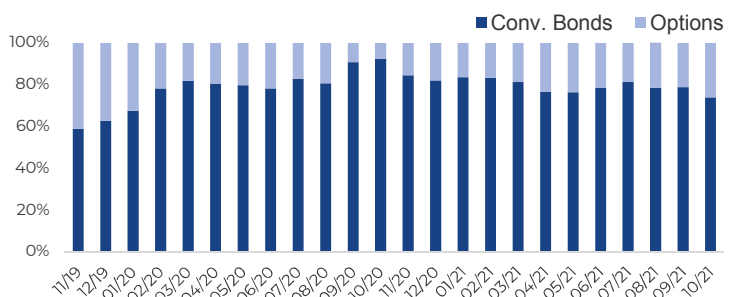
Rating breakdown

(% of bond component)



Source: LFDE

Historical breakdown of equity sensitivity by instruments over two years



Source: LFDE

ESG Data

Selectivity rate*	28.3%	
Minimum ESG score	5,5/10	
	Fund	Investment universe**
Number of issuers covered by the ESG analysis	46	1540
% of positions covered by the ESG analysis	100%	45%
Weighted Average ESG rating	6,8/10	5,9/10

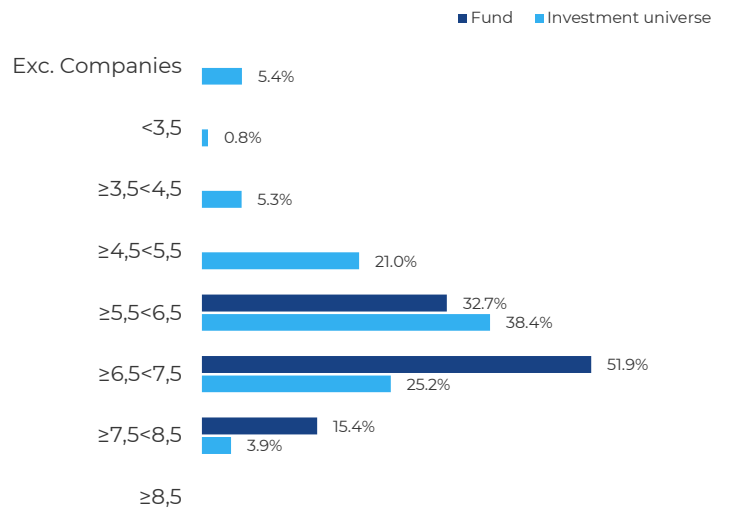
*Selectivity rate: percentage of the investment universe excluded due to ESG criteria
 **As of 09/30/2021

Top ESG ratings of the fund

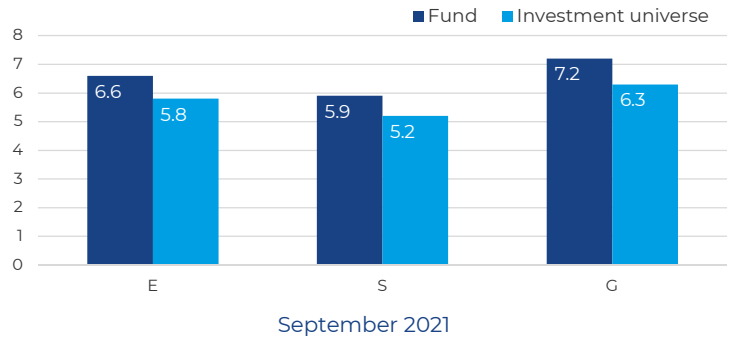
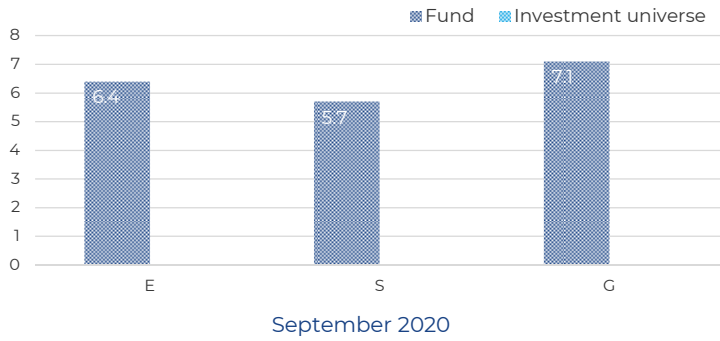
Name	Country	ESG score	E	S	G
SCHNEIDER ELECTRIC	France	8.4	9.1	7.9	8.3
WORLDLINE	France	8.0	8.2	7.8	8.0
AMADEUS IT	Spain	7.9	7.3	8.2	7.9
IBERDROLA	Spain	7.8	8.1	6.0	8.3
SIKA	Switzerland	7.8	7.0	6.4	8.5

Weight of the 5 best ESG score: **8.3%**

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

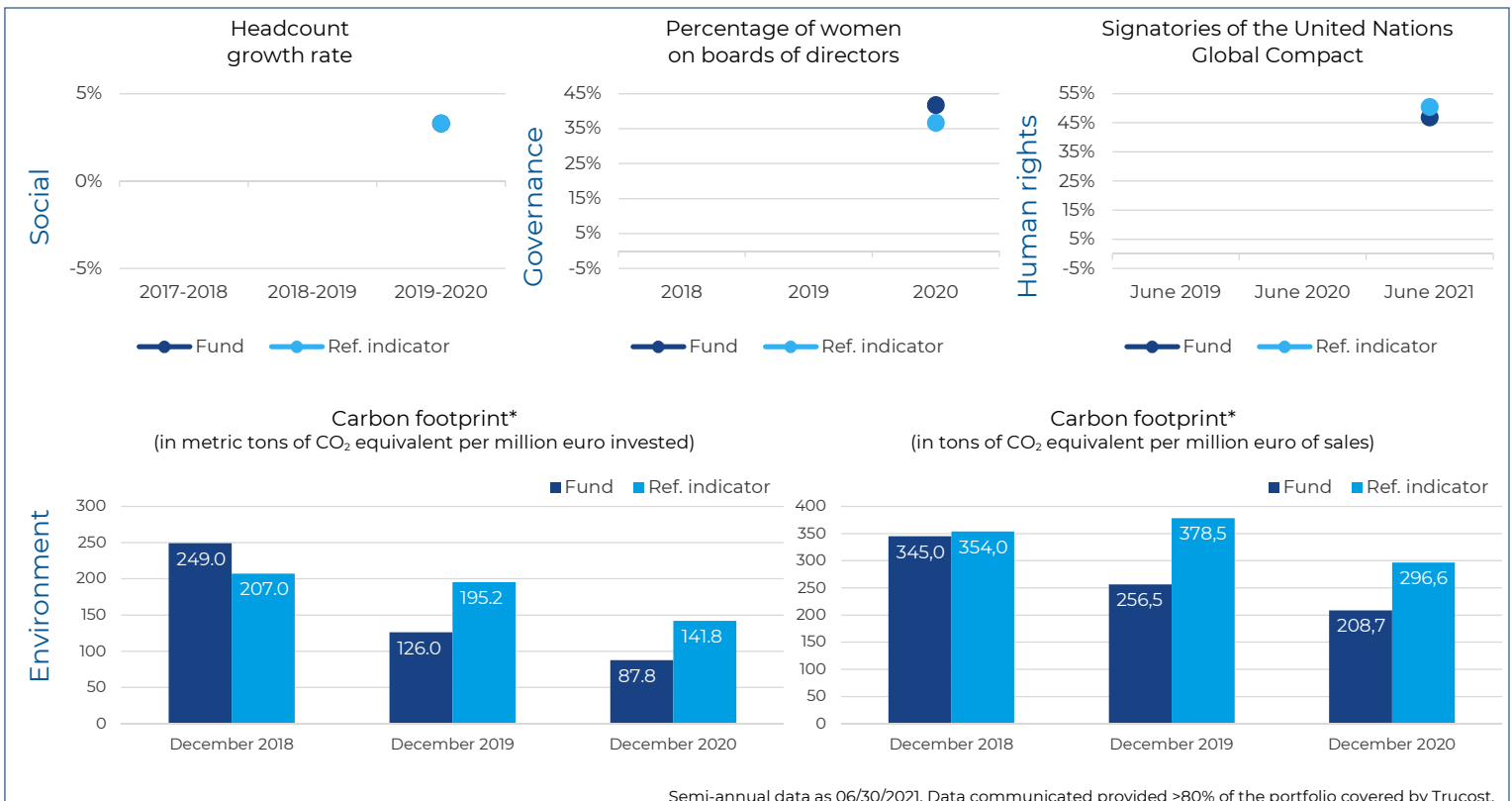


Average scores compared to the investment universe*



*Quarterly data as of 09/30/2021.

ESG performance indicators



News

Lastest five ESG analyses (in the investment universe)

Name	Country	Invested company?	ESG score	Evolution of the rating
TITAN CEMENT	Belgium	NO	6,2/10	First rating
GETLINK	France	NO	6,5/10	First rating
GRAND CITY PROP.	Luxemburg	YES	6,7/10	Up
GBL	Belgium	NO	5,9/10	Down
VOLVO	Sweden	NO	6,6/10	Up

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

Comment

In response to criticism in a recent report by the Inspectorate General of Finance (IGF) and, more broadly, that of the market, the governance of the French government's SRI label has been completely overhauled. The label's governance committee now includes a wider range of independent stakeholders, while members representing banks and insurers have stepped down. Only one management company (Groupama AM) is part of the new composition. The appointment of a new governing body for the label is accompanied by a reorganisation of the label committee, now chaired by Michèle PAPPALARDO, and the creation of a dedicated team within Finance for Tomorrow to act as a secretariat. Changes in European regulations and the development of investment assessment methodologies that take ESG criteria into account should prompt the French authorities to revise the label's specifications more ambitiously in the short term. We support the SRI label, which has become one of the key references for responsible investment in the Paris financial centre: more than 786 labelled funds, managed by around 147 portfolio management companies, with a total of almost EUR 603 billion in assets under management (as of October 2021).

Methodology

	Hedging	2017-2018	2018-2019	2019-2020		Hedging	2018	2019	2020
Headcount growth rate	Portfolio	-	-	89.8%	Percentage of women on boards of directors	Portfolio	-	-	58.0%
	Ref. indicator	-	-	96.0%		Ref. indicator	-	-	71.7%
	Calculation method: (Headcount year N/Headcount year N-1)-1					Calculation method: (Number of women on board/Total number of board members)			
	Hedging	Jun 2019	Jun 2020	Jun 2021		Hedging	Dec 2018	Dec 2019	Dec 2020
Percentage of UN GC signatories	Portfolio	-	-	100.0%	Carbon data	Portfolio	81.0%	95.2%	93.0%
	Ref. indicator	-	-	100.0%					

The table above shows the data coverage rates for each of the ESG performance indicators shown opposite.

We have not encountered any difficulties in measuring these ESG performance indicators.

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

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

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