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ANNUAL RAPPORT ON 29 DECEMBER 2023

M CONVERTIBLES SRI

Contents

1. INFORMATIONS ABOUT THE FUND

LEGAL FORM AND MEMBER STATE IN WHICH THE UCITS WAS CREATED

French Variable Capital Investment Company (SICAV).

METHOD OF DETERMINATION AND ALLOCATION OF DISTRIBUTABLE INCOME

The distributable amounts are defined in the Articles of Association of the SICAV.

Distributable income and amounts relating to net realised capital gains may be distributed and/or capitalized (and/or carried forward), in whole or in part, independently of each other.

Allocation of net income:
For AC and IC shares: net income fully capitalised.
For AD and ID shares: capitalisation and/or distribution (and/or carryforward) by decision of the General Meeting.

Allocation of net realised capital gains:
For AC and IC shares: net realised capital gains fully capitalised.
For AD and ID shares: capitalisation and/or distribution (and/or carryforward) by decision of the General Meeting.

Frequency of distribution:
For ID and AD shares: the frequency of distribution of distributable amounts is annual.

MANAGEMENT OBJECTIVE

The management objectives of the SICAV consist in obtaining performance linked to that of the European bond markets and equities markets. In particular the management objective of the UCITS consists in obtaining over the recommended investment duration, performance greater than that of the Refinitiv (ex Thomson Reuters) Europe Hedged Convertible Bond benchmark index EUR, net coupons reinvested, by integrating ESG criteria into the portfolio holdings selection and analysis process.

BENCHMARK INDICATOR

The UCITS is not an index-based fund. The reference to an index is only an element of a posteriori comparison. The benchmark indicator is the Refinitiv (ex Thomson Reuters) Europe Hedged Convertible Bond Index EUR (ticker Bloomberg UCBIFX20 Index), net coupons reinvested.
The Refinitiv Europe Hedged Convertible Index EUR is a market capitalization-weighted index of major European convertible bonds. This index is used to the extent that it allows to assess the level of risk with respect to the equities market. It is also representative of the performance of convertible bonds.

As the UCITS is not an index tracker fund, the Fund's performance may be different from this benchmark both upward and downward and the composition of the portfolio may diverge significantly from that of the index.

INVESTMENT STRATEGY

1. Strategies used

The M Convertibles SICAV invests in bonds convertible to equities, with a preponderance on the euro zone and OECD member states. The portfolio is thus doubly exposed, on the one hand to the risk of equities markets and, on the other hand, to bond risk (interest rate risk and credit risk) since it is composed of convertible bonds with this double sensitivity.
The manager will modulate, depending on anticipations of future changes on the markets, two parameters, i.e.: primarily sensitivity to the equities markets and to a lesser extent, sensitivity to the bond markets.

The investment strategy is discretionary. It consists, in a discretionary manner, in a multi-criteria approach for the selection of securities by the manager, combining the potential of the share in its universe, the credit risk and the use of technical analysis specific to convertible bonds.

The SICAV promotes environmental and/or social characteristics in the meaning of Article 8 of the SFDR.

The strategy of the equities component of the portfolio consists in a process of discretionary selection of the securities in the portfolio. The manager will create the portfolio and choose the securities on the basis of technical criteria that are specific to convertible bonds. The objective of the UCITS is to hold convertible bonds that have sufficient equity sensitivity to benefit from the evolution of the underlying share.

In addition, the manager seeks to invest in financial instruments representing companies whose share prices present a potential for appreciation taking into consideration the company's business sector or for other specific reasons (growth of a market, opportunities linked to a market transaction completed, companies with low valuation, etc.)

The strategy of the interest rate component itself, may allow to mitigate the effects of an eventual decline in equity markets. Its object is to attenuate the equity risk of the portfolio during periods of pronounced declines in the indexes in the euro zone. The portfolio is invested in interest rate instruments whose sensitivity varies. The average sensitivity of the portfolio may change within a range from 0 to 5.

The SICAV takes ESG criteria into account in order to deliver financial performance and as part of the aim to positively influence, as far as possible, issuers in terms of ESG performances, by encouraging companies to further integrate ESG criteria into their activities, by promoting best practices.

The non-financial approach implemented is part of the ESG policy set up by the management company, and available on its website.

It is based on the integration of non-financial criteria from the moment the investment universe is defined, consisting of the pool of convertible bonds issued in OECD countries and denominated in Euro; or issued in a European OECD country in any currency of issue.
10% of the SICAV's portfolio may be invested outside the investment universe of the SICAV, provided that such securities have an ESG rating higher than the thresholds set for the purposes of the approach.

The exclusion policy set up by the management company, and available on its website, is used to manage the SICAV.
The approach to taking account of non-financial criteria is a "selectivity" approach based on the proprietary four-stage SRI analytical method developed by Montpensier Finance applied to the underlyings of the convertible bonds, and is aimed at mitigating the sustainability risks, which it cannot however guarantee to have entirely neutralised (for further details, see the SFDR Pre-contractual Document appended to this prospectus, and the UCITS Transparency Code available on the management company's website):

1. Exclusion of underlyings involved in controversial activities: manufacture of weapons, coal mining, tobacco, adult entertainment, games of chance, GMOs and palm oil Certain exclusion thresholds may apply to the management of the UCITS. These are specified in the SFDR pre-contractual disclosures document
2. Exclusion of underlying companies rated 'CCC' or having a red ESG controversy flag from MSCI ESG Research;
3. Analysis of the governance practices of the underlying businesses in accordance with the proprietary Montpensier Governance Flag (MGF) method, the purpose of which is to evaluate the alignment of interests among management, shareholders and more generally all stakeholders. It is based on a list of sub-criteria which allow us to determine three MGF statuses: 'Pass', 'Watchlist' or 'Fail'. All underlyings identified as 'Fail' are excluded;
4. Analysis of underlying businesses' contribution to the environmental transition and solidarity in accordance with the proprietary Montpensier Industry Contributor (MIC) method which is based on the 17 SDGs of the UN using a best in class approach. This analysis allows us to determine the positioning of the companies on environmental and social issues, taking account of their business sector and progress. This method allows us to determine three levels of MIC contribution: positive, neutral and negative. Underlyings with a negative contribution are excluded.

The extra-financial analysis carried out allows us to define a list of underlyings to be excluded, thus reducing the initial universe of convertible bonds by 20%.

The extra-financial approach adopted is presented in the SICAV's Transparency Code available on the Management Company's website.

The data used is mainly provided by MSCI ESG Research and may be completed, modified or updated by the Management Company from other sources.

In addition, the underlying stocks are analysed in such a way that at least 90% of the convertible bonds in the portfolio are analysed according to a double ESG and fundamental approach.

The fund’s manager is also authorised to invest up to 10% of the SICAV’s net assets in securities that do not form part of the SICAV’s investment universe , particularly in terms of geographical regions and/or capitalisation. All underlyings in the portfolio in this context will also be subjected to an ESG analysis by the Management Company in accordance with the proprietary SRI analysis method used, and will meet the same rating requirements as the other securities in portfolio, notably with a higher rating than the thresholds established in the context of the selectivity approach.

In addition, Montpensier Finance assigns the portfolio an ESG rating based on the ratings of the securities in the portfolio. This rating is derived from the ESG Ratings provided by MSCI ESG Research, amended as the case may be as a result of our internal analysis. The portfolio rating is calculated according to the weight of each security.

Methodological limitations identified by the Management Company:

- Data availability and quality. The Management Company’s analysis is based, in particular, on information provided by MSCI ESG Research (supplemented and/or amended by the Management Company where necessary), which is derived in part from qualitative and quantitative data published by the companies themselves. As a result, the analyses carried out depend on the quality and reliability of the information, which may be incomplete and inconsistent, and for which the scope of reporting may vary over time, etc.;
- The Management Company has selected the elements taken into account in its extra-financial analysis as part of its proprietary extra-financial analysis methodology, which by definition is not exhaustive. The elements used are also updated periodically and may become outdated between two updates;
- The conclusions of the extra-financial analysis that the Management Company carries out on a company may change over time, depending on a range of objective and subjective factors. In addition, an analysis may be revised in the light of certain events, such as controversies.

The asset allocation strategy looks as follows:

The “convertible bonds” investment universe and similar securities is centred mainly, for a minimum of 60% of the assets and up to a limit of 110% of the assets, on bonds of all kinds such as those described in the “Assets” section below.
The degree of exposure to convertible bonds will be between 60% and 110% maximum of the assets

The UCITS may invest, depending on changes in the market, up to 25% of its assets in bonds denominated in other currencies than the euro.

Hedging against foreign exchange risk may be total: it is put in place according to the manager's anticipations.
The shareholder may be subject to foreign exchange risk on the positions outside the euro zone.

The UCITS may also hold shares in particular issues of conversion. These shares associated with investments in equities funds that the manager will have made, will have an allocation that will represent a maximum of 10% of the portfolio.
The issuers of such shares have their registered office in an OECD member state with a preponderance on the euro zone, of companies presenting all types of capitalisation.

In addition, to the extent that a convertible bond is one presenting an option for conversion, the manager may use derivatives aiming to hedge or accentuate a component of the convertible bond (sensitivity to shares or bonds). It results from this that the UCITS could invest in forward financial instruments or conditional instruments
in order to hedge the portfolio against an anticipated decline in equities and bond markets, for example, or to expose it to an expected increase on these same markets through the use of instruments such as options on indexes and/or options on shares, futures contracts in the euro zone (CAC, Eurostoxx, Bund contracts, etc.).

The Fund's equities delta should be between 30% and 70%.
The UCITS may invest up to 10% of its net assets in units or shares of French or European UCITS, in French AIFs (not alternative funds), meeting the criteria set by R214-13 of the Comofi rules, of any class, managed or promoted by Montpelier Finance or by outside management companies.
These investments may be made by the manager as part of cash management of the UCITS, or as a compliment to direct investments in bonds and/or equities.

The investment in bond funds and other debt securities denominated in euros will be either to accentuate the bond component of the UCITS in particular in the case of the rarification of emissions of convertible bonds, or to place liquidities.

For cash management and/or optimisation of revenues, the UCITS may use cash deposit and borrowing transactions.

In order to place the liquidities, present in the portfolio, the UCITS may also hold debt securities and money market instruments, medium- and short-term TCN (negotiable debt securities), fixed- or variable-rate EMTN (Euro Medium-term Notes) as well as monetary UCITS.

2. Assets (except for derivatives)

The UCITS will be invested in securities, in compliance with the ratios provided by the laws and regulations and by this prospectus, for up to 100% of its net assets. However in the event of adjustments linked to subscriptions and/or redemptions, the investment may temporarily exceed this limit.

➢ Equities

As part of its management, the manager may invest in shares, within the maximum limit of 10% of the Fund's assets, in particular when no convertible bond exists on a given underlying.

The M Convertibles SRI SICAV may invest in the shares of companies all capitalisations including small caps (i.e. with a market capitalisation of less than EUR 2 billion), whose registered office is located in an OECD member state with a preponderance on the euro zone, in all of economic sectors.

The UCITS may invest in listed shares, and in similar securities (investment certificates, etc.).

The Fund's level of investment in equities cannot exceed 10%.
The Fund's equities delta should be between 30% and 70%. The delta is a sensitivity indicator that measures the variation in the price of a convertible bond compared to the 1% variation in the price of the underlying share.

➢ Convertible bonds and other similar securities

Concerning these investments, the portfolio is invested up to a minimum of 60% of its assets in all types of bonds that are transferable into shares or endorsed on shares and denominated in euros, such as:
- bonds convertible or repayable in shares;
- bonds with share or bond subscription warrants;
- bonds indexed on variations of indexes;
- all types of bonds;
- equity securities;
- structured products.

The structured products may be synthetic convertible bonds used to allow the UCITS to invest in sectors or companies for which the convertible bonds are not available or are unsuitable.

The UCITS may invest, depending on changes in the market, up to 25% of its assets in bonds, convertible bonds and similar securities denominated in other currencies than the euro.

The issuers of these convertible bonds and similar securities have their registered office in an OECD member state, with a preponderance on the euro zone.

No limit in terms of rating (or deemed equivalent) by the management company is in place.

The management company conducts its own analysis to evaluate the credit quality of these assets, in the selection of securities to acquire and in the life cycle, as well as UCITS/AIFs exposed in interest rate securities. The management company does not mechanically use, nor does it exclusively base itself on the ratings provided by the rating agencies, and puts in place a credit risk analysis and procedures allowing to make management decisions.

The breakdown public debt/private debt is not determined in advance and shall be made depending on market opportunities.

No geographical allocation within Europe, or sector-based, is determined a priori by the manager.

The UCITS may invest in convertible subordinated bonds.
However, the UCITS will not invest in CoCos (Contingent Convertibles) issued by banks and insurers, which entail the forced conversion of debt into equity when certain conditions are met regarding the capital of the issuing financial institution.

The maturity of the securities used may exceed one year.

The sensitivity of the portion of the UCITS invested in interest rate instruments will vary.
The sensitivity of the portfolio will not exceed 5.

➢ Debt securities, money market instruments and bonds

For cash management, the UCITS may invest in debt securities and money market instruments: French and foreign negotiable trade securities, fixed- or variable-rate EMTN, Euro commercial paper (French or foreign), certificates, as well as monetary UCITS.
The TCN may be short-term marketable securities with an initial maturity of up to 1 year or medium-term marketable securities with an initial maturity of more than one year.

Management does not set a limit on the breakdown between sovereign and private issuers.

The private debt/public debt breakdown is not determined in advance. It will be made by the manager depending on market opportunities and its convictions.
No criterion relating to rating (or deemed equivalent by the management company) is imposed on the manager.

➢ Units or shares of other UCITS or AIFs

The UCITS may invest a maximum of 10% of its assets in units or shares of UCITS or AIFs.

The rate of investment in French or European approved UCITS may vary between 0% and 10% of net assets.

The rate of investment in French or European AIFs, meeting the four criteria in Article R214-13 of the Comofi, may vary between 0% and 10% of net assets.

The AIFs in which the UCITS will invest are AIFs intended for non-professional investors.

The UCITS may invest in Exchange Traded Funds (ETF) approved in compliance with Directive 2009/65/EC for up to between 0% and 10% of its net assets, exposed to equities or interest rate products.

These investments may be made by the manager for cash management of the UCITS, or as a compliment to direct investments in bonds and/or equities.
The UCITS may invest in shares or units of UCITS, in order to diversify the portfolio and to access specific management skills that may be, for example quantitative, or management styles, or linked to specific sectors or geographical areas.

The UCITS reserves the right to invest in UCITS of any classification that are managed or promoted by outside management companies.

3. Derivatives

The UCITS may invest in forward financial instruments.

Nature of markets traded:
☑ Regulated markets
☑ Organised markets
☑ OTC markets (Forward currency transactions)

The UCITS may trade in firm or conditional forward financial instruments traded on regulated French and foreign markets and in forward foreign exchange transactions traded over-the-counter.

Risks that the manager may wish to accept:
☑ Interest rates
☑ Equities and equivalent securities
☑ Foreign exchange

Nature of trades, since all transactions must be restricted to achieving the investment objective:
☑ Hedging interest rate, equities, securities and similar transferable securities and currency hedging
☑ Exposure to interest rate, equities, securities and similar transferable securities, and currency exposure
☐Arbitraging

The UCITS may hedge all or part of the foreign exchange risk through forward forex transactions traded over- the-counter and relating to currencies of member countries of the OECD (or participating in the European Economic Union).

Nature of instruments used:
☑ Forward contracts on indices (equity indices and those related to equities (volatility, dividends,…) or interest rates/bonds), or on securities of the Eurozone and on currencies
☑ Options on indices and securities of the Eurozone
☑ Forward currency purchases and sales
☑ Interest-rate and forex swaps

The derivatives trading strategy used to achieve the investment objective:

☑ General portfolio hedging, interest rate hedging, equity hedging, hedging of securities and similar transferable securities, currency hedging,
☑ Increasing market exposure, interest rate exposure, equity exposure, exposure to securities and similar transferable securities
Reconstitution of a synthetic exposure to interest rates as or equity risks.

These transactions will be carried out within the limit of a maximum of 100% of the net assets of the UCITS. The use of derivative instruments may lead to changes in the UCITS' exposure, subject to the limits of the levels of exposure specified in this prospectus.

Concerning derivative instruments used in the context of exchange risk:
By their nature, these transactions do not fall within the scope of application of the ESG analysis.

Concerning derivative instruments used in the context of equity, bond and interest rate risks:
- Derivative hedging instruments are used in consistency with the ESG policy of the SICAV, which will remain invested in securities analysed in accordance with the ESG criteria described in the investment strategy.
- Derivative instruments may be used on a supplementary basis to replace certain profiles or to diversify investments beyond the universe as defined, or also in connection with movements in liabilities.

The SICAV will not use Total Return Swaps (TRS).

4. Securities with embedded derivatives

The manager may also invest in warrants and structured products (Negotiable Medium-Term Notes, Euro Medium Term Notes, etc.), short- or medium-term, traded on regulated markets or over-the-counter, in order to hedge the portfolio and/or to expose it to bond and/or equities risk.
Warrants shall be mainly used for hedging and/or exposure of the portfolio.
Structured products shall be mainly used for the purpose of exposure of the portfolio, while seeking risk control associated with an investment made.
The use of securities with embedded derivatives may have the effect of increasing the Fund's exposure to the risk of the underlying, within the limit of the degrees of exposure specified in this prospectus.

The use of this type of instrument may vary from 0% to 10% of the Fund's assets.

By their nature the convertible bonds are similar to securities with embedded derivatives.
The investment strategy, described in this prospectus, allows the manager to use convertible bonds and similar instruments for up to 110% of the net assets, and therefore the 10% limit of assets mentioned in the previous paragraph is thus not applicable to them.

5. Deposits

The UCITS may occasionally, for cash management and optimisation of the Fund's revenue, make deposits held with the custodian for up to 10% of its net assets.

6. Cash borrowings

The UCITS may occasionally borrow cash for up to 10% of its net assets, without intending to be a structural cash borrower. This case may essentially result from the discrepancy between the value dates of transaction settlements.

7. Transactions for the temporary purchase and sale of securities

None.

8. Contracts constituting financial guarantees

In the context of concluding transactions with derivative instruments and/or currency forwards, the FCP may provide and/or receive a financial guarantee (collateral).
Financial guarantees received are designed to reduce exposure of the FCP to counterparty default risk. Collateral will only consist of cash. Collateral received will be valued based on market prices (mark-to-market) on the establishment of each net asset value (NAV).
Any financial guarantee given or received may be reused. In particular, the FCP may reinvest financial guarantees received in accordance with the regulations in force.
The risks associated with the reinvestment of cash depend on the type of assets and/or the type of transactions and may be counterparty risks or liquidity risks.

RISK PROFILE

Your money will be invested primarily in financial instruments selected by the management company. These instruments will be subject to market fluctuations.

Each investor, prior to making any investment decision, should analyse the risk inherent in the investment and make sure that it consistent with the investor's objectives, constraints, and investment horizon.

Risk linked to discretionary management:
The Fund's performance will depend on the securities chosen by the manager.
There is a risk that the manager does not select the best performing securities. More generally, there is a risk that the UCITS might not be invested at any time on the markets or securities that perform best, or might not be, or might insufficiently be, invested at the right moment on the markets and securities that perform best. In that case, the performance of the UCITS may be less than the management objective, and the net asset value of the UCITS may even have a negative performance.

Risk of capital loss:
Capital loss occurs when a security is sold at a lower price than its purchasing value. The net asset value of the UCITS may moreover have a negative performance. The UCITS does not provide any guarantee or protection of capital. The initially invested capital is exposed to market fluctuations, and not be fully returned. The investor should be aware that the Fund's performance may not meet the investor's objectives and that the invested capital (minus any subscription fees) may not be totally returned to the investors.

Risk associated with holding convertible bonds:
The degree of exposure to convertible bonds will be a maximum of between 60% and 110%, inclusive, of assets. The UCITS may have a direct or indirect equity or interest rate/credit risk, linked to direct investment in convertible bonds. The value of the convertible bonds depends on several factors: interest rate levels, changes in the prices of underlying shares, changes in prices of the derivative embedded in the convertible bond, (i.e. value of the conversion option corresponding to the possibility of converting the bonds to shares.). These different elements may lead to a decrease in the Fund's net asset value.

Equity risk:
The UCITS invests in bonds convertible to shares. The Fund's equities delta should be between 30% and 70%. Equities markets many experience major changes and fluctuations in the prices of securities and markets to which the portfolio is exposed may lead to a significant decrease in the net asset value. The Fund's net asset value may fall in the case of a decline in equities markets and in particular any decline in the underlying of the convertible bonds.

Risk associated with investments in small-cap shares:
As the manager may invest in small-cap shares (shares in companies with total market capitalisation of less than EUR 2 billion), investors' attention is drawn to the fact that the markets for small caps are intended to accommodate companies which, due to their specific characteristics, may present risks for investors.
The volume of these shares listed on the stock exchange is limited, so market movements are more pronounced, whether upwards or downwards, and faster than in the case of large-caps. For these reasons, these shares may present risks for investors, notably a liquidity risk due to the possible narrowness of these markets. The net asset value of the UCITS may therefore fall more rapidly and more sharply.

Sustainability risk:
The UCITS is exposed to the risk that an environment-, social- or governance-related event or situation, if it occurs, could have a significant negative impact, whether real or potential, on the value of the securities in the portfolio. Sustainability risks relate, among other things, to "weather" events resulting from climate change ("Physical Risks") or to society's response to climate change ("Transition Risks"), which may lead to unexpected losses that could affect funds' investments. Social events (e.g. inequality, inclusiveness, labour relations, investment in human capital, accident prevention, changing customer behaviour, etc.) or lack of governance (e.g. significant and repeated breaches of international agreements, corruption issues, product quality and safety, sales practices, etc.) can also entail sustainability risks.

Sustainability risk evolves, and varies depending on the activities of the companies in portfolio. It can also vary with sectors and geographical regions and indeed even with the country where the company is based or the countries in which it operates. In view of the large number of sustainability risks, exposure to these risks cannot be avoided and the materialisation of one or more sustainability risks may have a negative impact on the performance of the UCITS. Accordingly,the UCITS' net asset value may therefore decline in a way that is not in line with the markets.
With a view to limiting the sustainability risk, the exclusion policy pursued aims to identify companies whose practices are considered controversial from an environmental, social and/or governance point of view.

The extra-financial analysis carried out by the Management Company rounds out this process and aims to identify any businesses that are not in line with its expectations as regards corporate governance or businesses' impact on the environment and society, the objective being to hold in portfolio only securities of companies with good practices or a positive or neutral impact.
However, there is no guarantee that sustainability risks will be completely negated.

Volatility risk:
As the investment strategy consists in investing primarily in convertible bonds, the Fund's net asset value is likely to experience changes linked to the evolution of the value of the conversion option (the possibility of converting the bond into shares). In the case of a decline in the volatility of the convertible bonds held by the UCITS, the net asset value could decline.

Interest rate risk:
Interest rate risk is the risk associated with a rise in rates on bond markets, that causes a decline in bond prices and thus a decline in the Fund's net asset value.
The UCITS is exposed to interest rate risk that could lead to a decline in the net asset value of the UCITS. The portfolio is sensitive to changes in interest rates whose evolution depends on economic political or market conditions or on the specific situation of the issuer.
The average sensitivity of the portfolio may fluctuate between 0 and 5.

Credit risk:
In the case of failure or the deterioration in the signature quality of the issuers, for example of downgrading by financial rating agencies, or if the issuer is not able to repay or to pay the specified interests on the contractual date, the value of the bonds in which the UCITS is invested, directly or indirectly by the intermediary of an undertaking for collective investment (UCI), will fall, leading to a decrease in the net asset value.

Risk associated with speculative securities:
Investors' attention is drawn to the fact that investment in speculative securities, whose ratings are not rated at all or low, may be traded on markets where operating procedures, in terms of transparency and liquidity, are appreciably different than the standards accepted in regulated European financial centres. Consequentially, this product is intended for investors who are adequately experienced to be able to evaluate their merits and risks.

Risk on subordinated securities:
This is the risk associated with the payment features of securities in the event of default by the issuer: a Fund that is exposed to subordinated securities will not be a priority and the repayment of the principal and the payment of coupons will be 'subordinated' to those of creditors who are more senior bondholders. Therefore, the redemption amount of the security may be less than that received by more senior bondholders. The use of subordinated bonds can result in a more significant risk of a fall in net asset value than that associated with the issuer's other bonds.

Risks linked to the use of derivatives:

The UCITS may invest in derivative instruments. The manager may take on equity and interest rate risk for exposure and/or hedging, as well as currency risk for hedging purposes.

The use of derivative financial instruments may lead to significant changes in the net asset value, upward as well as downward. Generally speaking, entering into such contracts could involve a risk of a greater and more rapid decline in the Fund's net asset value than that of the markets on which the Fund is invested.

The use of forward financial instruments for hedging has the consequence of underexposing the UCITS with respect to its level of investment. Consequently, in the case of a rise in the markets, the UCITS could have performance below that of the markets on which it is invested, remaining within the exposure limits set out in the prospectus, even negative.

The use of forward financial instruments for exposure has the consequence of overexposing the UCITS with respect to its level of investment, which in the case of a decline in the markets in which the UCITS is invested, remaining within the exposure limits set out in the prospectus, could lead to a more rapid and more significant fall than that of the markets on which the UCITS is invested.

Counterparty risk:
The UCITS may uses over-the-counter forward currency transactions. These transactions, entered into with one or more counterparties (such as bank establishments), potentially expose the UCITS to the risk of the default of one of these counterparties that could lead to a default of payment. In such a case, the net asset value could fall.

Exchange rate risk:
The UCITS may invest up to 25% of the net assets in instruments denominated in currencies other than those of the euro zone, and the maximum exposure of the foreign exchange risk cannot exceed 25% of the Fund's net assets. Fluctuations in these currencies with respect to the euro may have a positive or negative influence on the value of these instruments. The net asset value of your UCITS can thus fall if the foreign exchange rate changes.

Liquidity risk:
This represents the risk that a financial market, when the volume of traits are low or in the case of tension on this market, cannot absorb the volumes of transactions (purchases or sales) without significant impact on the price of the assets. These market disturbances can impact the price conditions in which the UCITS could be led to liquidate, initiate or modify positions. The net asset value could fall when the UCITS is exposed to this risk.

GUARANTEE OR PROTECTION
None.

SUBSCRIBERS CONCERNED AND TYPICAL INVESTOR PROFILE:

Subscribers concerned:

- IC shares: All subscribers, particularly institutional investors, and investors who have opted for discretionary management or who subscribe through intermediaries who cannot receive remuneration other than through their clients.
- ID shares: All subscribers, particularly institutional investors, and investors who have opted for discretionary management or who subscribe through intermediaries who cannot receive remuneration other than through their clients.
- AC shares: All subscribers.
- AD shares: All subscribers.

Investor type profile:
The UCITS is intended for all subscribers. The UCITS is diversified and exposed to equity risks on the convertible bonds.
The amount that it is reasonable to invest in this UCITS depends on each investor's personal situation. To determine the reasonable amount to invest, investors need to consider their personal estate, current needs, the recommended duration of this investment but also their desire to take risks in view of the inherent volatility in the equities market.

Investors are also advised to adequately diversify their investments so that they are not solely exposed to the risk(s) of this UCI.

All investors are therefore advised to study their particular situation with their usual financial adviser.

Recommended investment period: Longer than three years.

2. CHANGES AFFECTING THE UCI

SIGNIFICANT EVENTS OCCURRED DURING THE FINANCIAL YEAR

- As from NAV dated August 4, 2023, bonds and convertible bonds held in portfolio are valuated at Mid Price, i.e. the mid-point between Bid and Ask Prices, instead of Bid.

SIGNIFICANT EVENTS OCCURRED SINCE THE END OF THE FISCAL YEAR

- N/A

Corporate governance report

Executive management structure

In accordance with the provisions of articles L225-51.1 and R225-102 of the French Commercial code, please note that the Board of directors has opted to combine the functions of the President of the Board of directors and CEO.

The Board of directors has appointed Mrs Mahshid DUMANOIS as President of the Board of directors and CEO.

The Board of directors have applied no restrictions to her powers.

Agreements covered by article L.225-37-4 paragraph 2° of the French Commercial code

Concerning agreements concluded, directly or via intermediaries, between on the one hand, directors or shareholders owning more than 10% of the voting rights in a company and, on the other hand, a company in which the former company directly or indirectly owns over 50% of the capital, with the exception of agreements relating to current operations and concluded on normal terms and conditions.

Please note that no agreements covered by this article have been concluded, or were in force, during the year.

Agreements covered by article L.225-38 of the French Commercial code

You will be presented with the statutory auditor's report. You will also be required to approve the statutory auditor's special report regarding regulated agreements as defined in article L.225-38 of the French Commercial code.

Please note that no agreements covered by this article have been concluded, or were in force, during the year.

Delegation of powers to the Board of directors

The extraordinary shareholders' meeting held on 17 November 2017, in accordance with article L.225-36 of the French Commercial code, granted power of attorney to the Board of directors to modify the corporate articles in order to comply with legal and regulatory provisions, pending ratification of these modifications at the next extraordinary shareholders' meeting.

Delegation of powers currently granted by application of articles L. 225-129-1 and L. 225-129-2

Not applicable to a SICAV fund.

COMPANY ADMINISTRATION AND CONTROL

Mandate expiry dates

Please note the following mandate expiry dates in the table below:

Name	Functions	Mandate expiry date following the AGM ratifying accounts closing on
Mahshid DUMANOIS	President and CEO	29 December 2023
Philippe de LA CHAISE	Director	29 December 2023
Amélie BURTIN	Director	29 December 2023
Cabinet DELOITTE & ASSOCIES	Auditor	31 December 2027

The members of the Board of directors note the expiry dates of their mandates which will be proposed for renewal.

LIST OF POSTS AND OFFICES HELD BY DIRECTORS

In accordance with the provisions of article L.225-37-4 ALINÉA 1° of the French Commercial code, please note the following corporate mandates and functions exercised by directors during the year:

Name	Functions	Other mandates
Mahshid DUMANOIS	President and CEO	- Director of SICAV Equilibre Patrimoine - President of SICAV Best Business Models SRI - President of SICAV Great European Models SRI - President of SICAV Quadrator SRI
Philippe de LA CHAISE	Director	- Director of SICAV Best Business Models SRI - Director of SICAV Great European Models SRI - Director of SICAV Quadrator SRI - President of SASU PDLC - President of SAS Jouffroy d'Abbans
Amélie BURTIN	Director	- Director of SICAV Best Business Models SRI - Director of SICAV Great European Models SRI - Director of SICAV Quadrator SRI

ENVIRONMENT AND FINANCIAL MARKETS

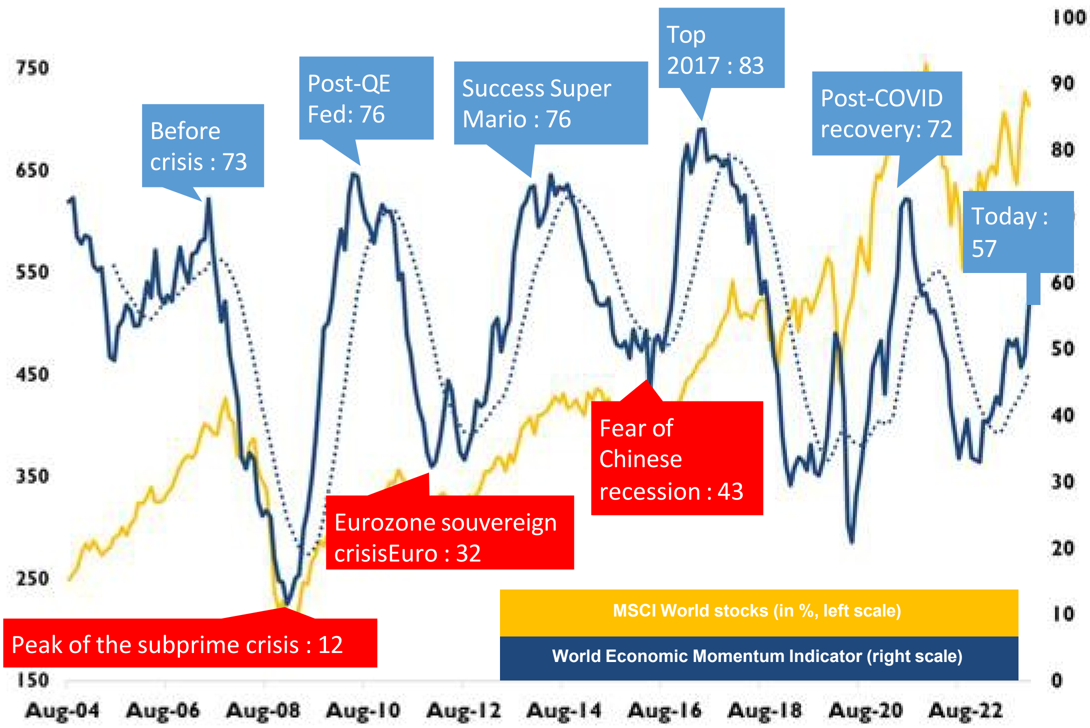
Global growth

After a first semester marked by fears of recession and the consequences of a significant tightening of monetary conditions on the stability of the international financial system, the second semester of 2023 was dominated by disappointment regarding the strength of Chinese growth despite stabilization towards the end of the year, the return of geopolitical risks, and expectations of interest rate cuts following a sharp easing of inflation indices.

While the year had started on a positive note with the hope of a robust recovery in China after the end of the zero-COVID policy, the disappointment in its strength only grew in the subsequent months.

The lack of real traction in China and the gradual effects of widespread monetary tightening did not prevent a significant rebound in Global Economic Momentum from the end of the first quarter. This was due to the unwavering strength of the U.S. economy, driven both by the unshakeable optimism of American consumers and by robust federal budgetary support. This support, in particular, allowed manufacturing investments to rebound strongly throughout the year.

GLOBAL ECONOMIC MOMENTUM REBOUNDS IN 2023



The economic momentum indicator takes into account the latest publications of unemployment, retail sales, trade balance, advanced GDP indicator, consumer confidence, PMI, economic confidence, and industrial production.

Source: Bloomberg / Montpensier Finance as of January 5, 2024

While the freezing of the frontlines in the Ukraine conflict seems to have stabilized the situation in Eastern Europe, sudden tensions in the Middle East following the October 7 attacks in Israel have reminded investors of the importance of this region for the world's energy supply and global trade. Even though, at this stage, the economic consequences appear to remain limited, the situation is closely monitored.

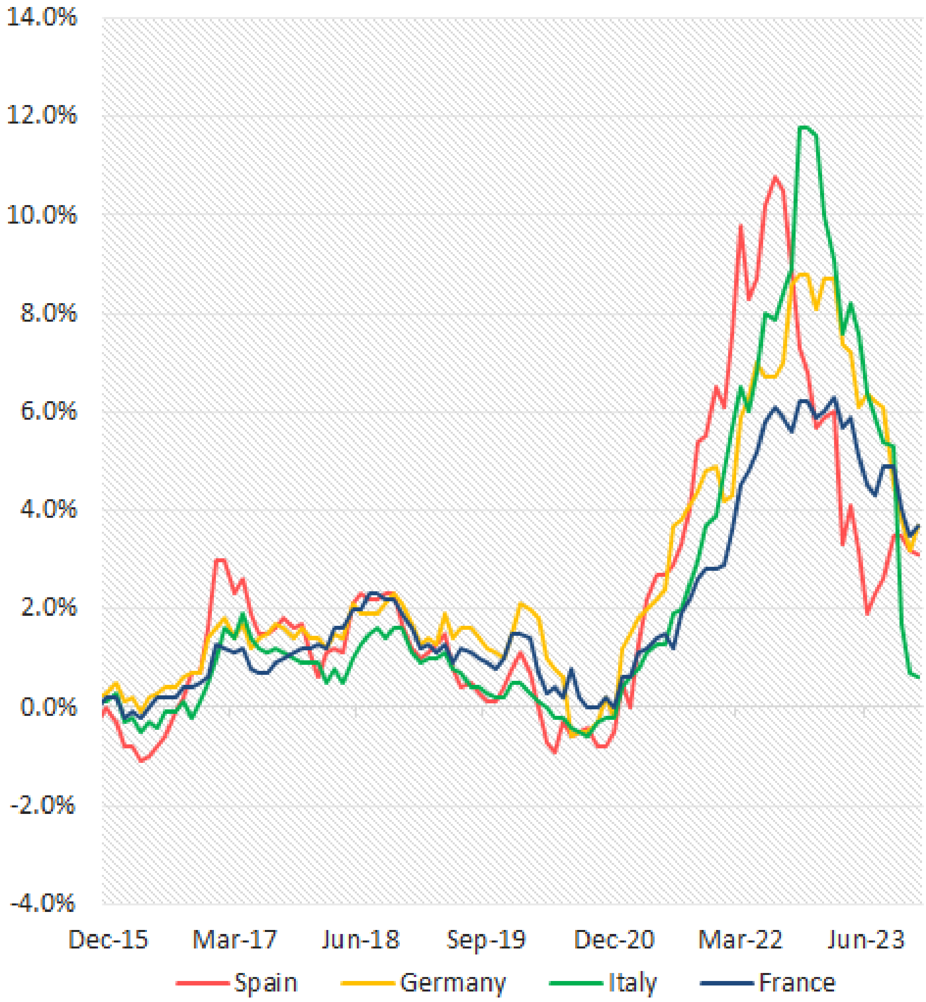
The absence of oil price tensions despite geopolitical fears has facilitated the continued decline in inflation indices in both Europe and the United States. Achieving the 2% price growth threshold now seems within reach. This significant easing of global price dynamics, despite the ever-present fears of a possible resurgence, has allowed central banks to consider a potential interest rate cut in 2024, which could be a significant support for global growth.

In the United States, employment remains robust despite a rapid normalization towards the end of the period, reinforcing the American consumer and continuing to hope for a smooth landing of economic activity. The manufacturing sector is under pressure despite strong investment growth, boosted by the Biden administration's support plans. Services also resist and remain one of the few sectors where inflationary pressure persists. After the strong alarm signal of Silicon Valley Bank's bankruptcy on March 10, the financial sector has stabilized and should benefit from relaxed financing conditions. However, the coming year will be marked by turbulence around the presidential election in November and the possible return of a vengeful Trump.

In China, after the end of zero-COVID, the recovery has been disappointingly slow, hindered by significant ongoing issues in the real estate sector and the lethargy of domestic demand that could not be compensated by the export engine due to the decline in global dynamics. A fiscal stimulus plan could instill confidence in the country and encourage foreign investors to return, despite the authorities' efforts to take control of large parts of the economy. Time is of the essence, and social pressure could force Beijing's hand as unemployment, at 6.6%, is on a sharp rise.

After a period of high inflation, the Old Continent is now experiencing a rapid decline in price dynamics, although the "core" indices remain significantly above the ECB's 2% target. This calls for caution regarding the speed of interest rate cuts expected by the market.

INFLATION IS DECREASING IN THE EUROZONE

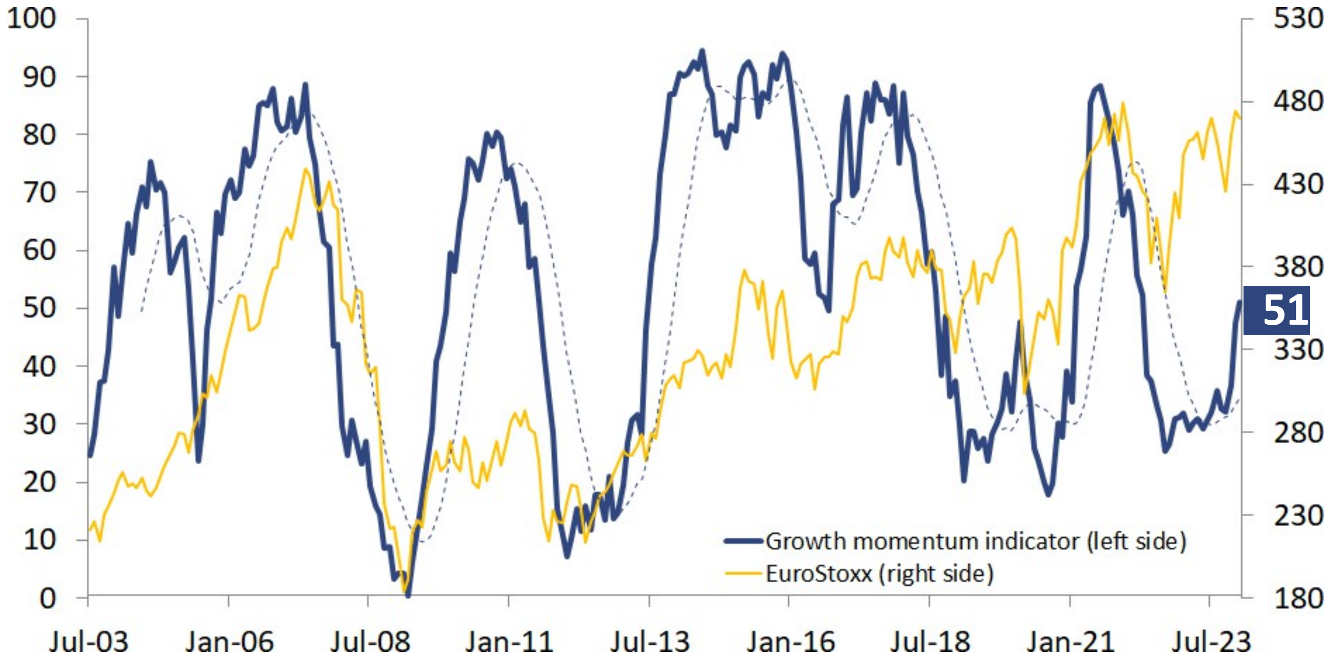


CPI (CONSUMER PRICE INDEX) FOR EUROZONE COUNTRIES

Source: Bloomberg / Montpensier Finance as of December 31, 2023

The main concern for the Old Continent is to avoid a too pronounced recession in 2024. Following in the footsteps of Germany, whose slowdown was already very evident early in the year, with growth coming to a halt by the end of 2023, all major countries in the Union are seeking to prevent the impending manufacturing recession from contaminating the very important service sectors. The job market, still resilient, and the remaining high level of budgetary support should, nevertheless, help prevent too sharp a plunge in activity.

ECONOMIC MOMENTUM IS WEAK IN THE EUROZONE



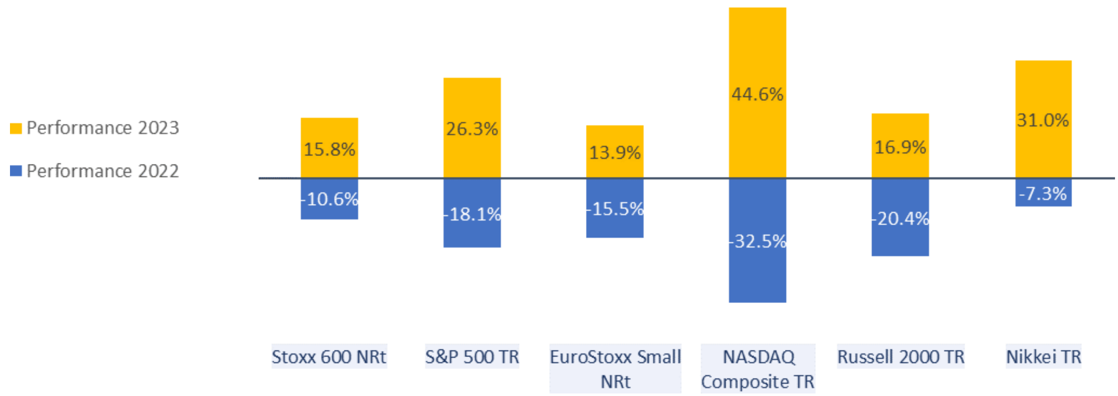
The economic momentum indicator takes into account the latest publications of unemployment, retail sales, trade balance, advanced GDP indicator, consumer confidence, PMI, economic confidence, and industrial production.

Source: Bloomberg / Montpensier Finance as of January 9, 2024.

Stocks markets

After a historically challenging year in 2022 for all major indices, with a decline of 18.1% for the S&P500, 9.5% for the Eurostoxx50, 18.1% for the MSCI World, and even 32.7% for the Nasdaq, 2023 marked a significant rebound.

As of December 31, the S&P500 index has risen by 26.3% since the beginning of the year. The Stoxx600 recorded a performance of 15.8%, and mid-cap stocks gained 16.9% for the Russell 2000 and 13.9% for the EuroStoxx Small. After its steep decline in the previous year, the Nasdaq recorded an equally spectacular gain of 44.6%, barely offsetting the losses from the previous year.



In Europe, after the significant tightening of financial conditions in the first half of the year, the progressively calming discourse from the ECB allowed equity markets to advance rapidly in the last quarter. Despite concerns about economic slowdown due to a lack of visibility on a potential recovery in China, luxury stocks have held up well. However, it is primarily growth companies benefiting from declining interest rates that have driven the market.

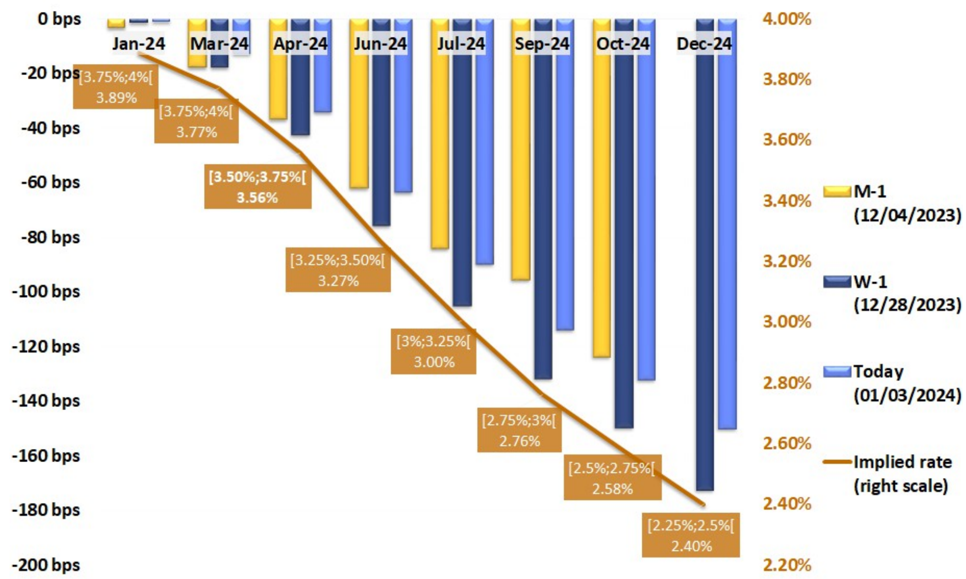
In the United States, indices benefited from the enthusiasm surrounding artificial intelligence topics, enabling technology giants to continue their ascent. After this rebound, valuation levels are slightly above their historical average in Europe. European markets remain significantly discounted compared to their counterparts across the Atlantic, with valuations at record levels, especially for the Nasdaq.

The Japanese market consolidated its gains with a slight increase in the second half after a significant rise in the first half of the year. The Nikkei index marks a gain of over 30% for the year, reaching its highest point since 1990, although the record of nearly 39,000 points from December 1989 is still a distant milestone.
After benefiting from the decline of the yen in the first half, Japanese companies were buoyed by the recovery of activity in Asia and the search for geopolitical stability by international investors in an area still plagued by strong tensions, especially ahead of the presidential election in Taiwan on January 13, 2024.

The main takeaway from this period has been the surprising resilience of corporate profits, despite a tighter credit environment, wage pressures, rising production costs due to inflation, and concerns about a pronounced economic slowdown weighing on decision-makers' confidence. The future behavior of markets in 2024 depends on the continuation of this phenomenon. At this stage, the consensus remains optimistic for 2024.

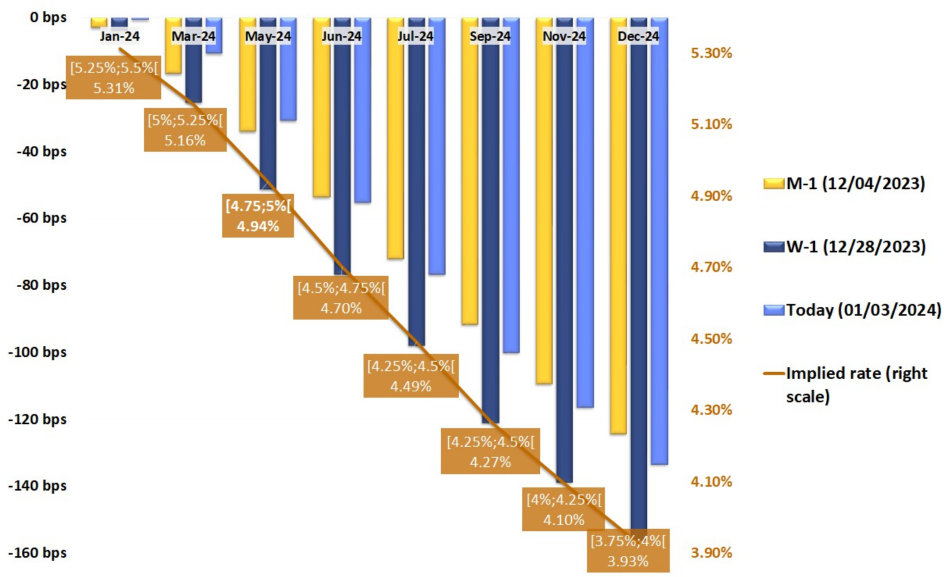
The other major uncertainty for the beginning of the upcoming year remains the Central Banks' stance regarding market expectations, following what was deemed a significant "pivot" by the Fed on December 13th. Market expectations are undeniably high, with at least the equivalent of 6 anticipated 25 bps interest rate cuts this year and the process set to begin by the end of the first quarter. It will be crucial to closely monitor both inflation indicators and the continued normalization of the job market in the United States to adjust expectations. A swift easing of financial conditions would be a powerful support for equity markets.

ECB: EXPECTED INTEREST RATE CUTS AND HIKES



Source: Bloomberg / Montpensier Finance as of January 3, 2024

FED: EXPECTED INTEREST RATE CUTS AND HIKES



Source: Bloomberg / Montpensier Finance as of January 3, 2024

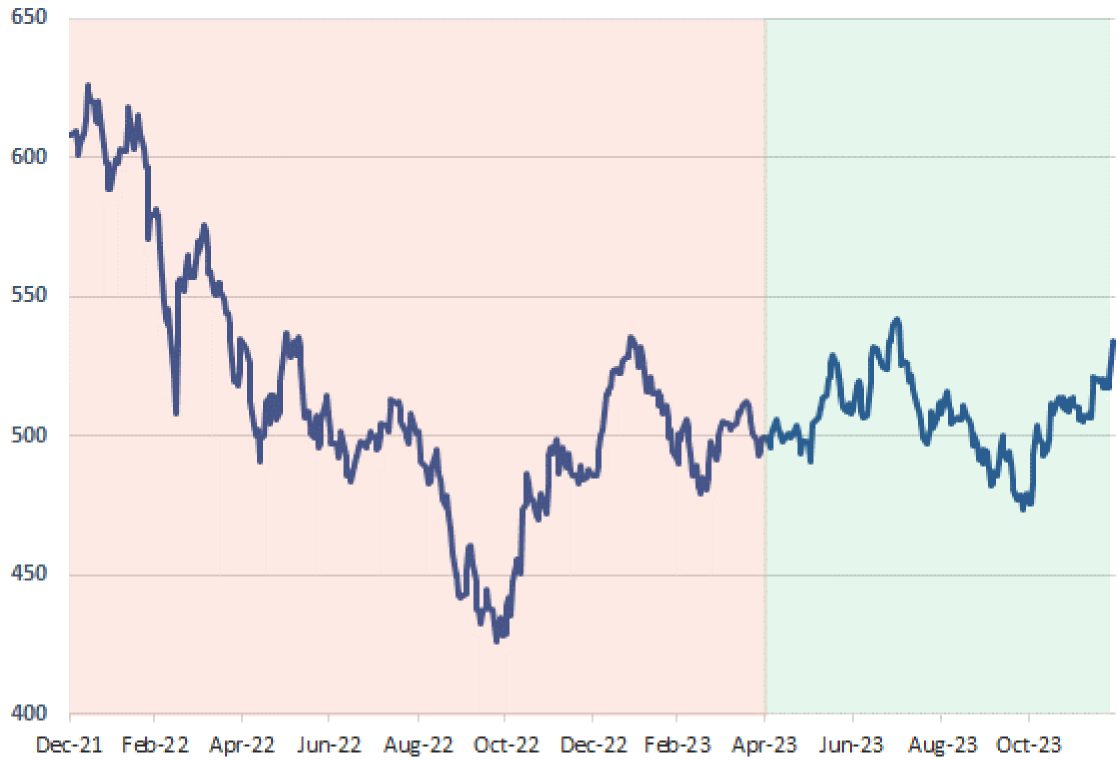
Sectoral rotations remain a constant in the market, with investors alternately favoring stocks less sensitive to rising financing costs and, as the year progresses, those that would benefit from a decline in interest rates. They also turn to those capable of withstanding the anticipated global economic slowdown while benefiting from the resilience of employment and consumption markets, or, more generally, those that have demonstrated financial strength and the ability to preserve their profit margins.

The only exception: technology stocks related to artificial intelligence were sought after throughout the year, as these new tools hold the promise of accelerating productivity gains, a major pillar of potential non- inflationary growth. In a more general sense, within these rotations, high-quality business models have always been favored, while resilience and agility remain cardinal values in investment this year.

Emerging markets, which had suffered in 2022 due to the volatility of the economic environment, benefited from the weakening of the dollar at the end of the year, the resilience of global growth (excluding China), and the overall slowdown in interest rate hikes worldwide.

The MSCI Emerging Market index thus finishes the year-end with an increase of nearly 10%. Even without considering the various developments of local currencies, performances are still highly diverse. There are challenges in China to stimulate its economy, as reflected in a more than 9% decline in the CSI 300 for the year. On the other hand, India is dynamic, with a 20% increase, benefiting from local consumption dynamics and regional reshoring efforts.

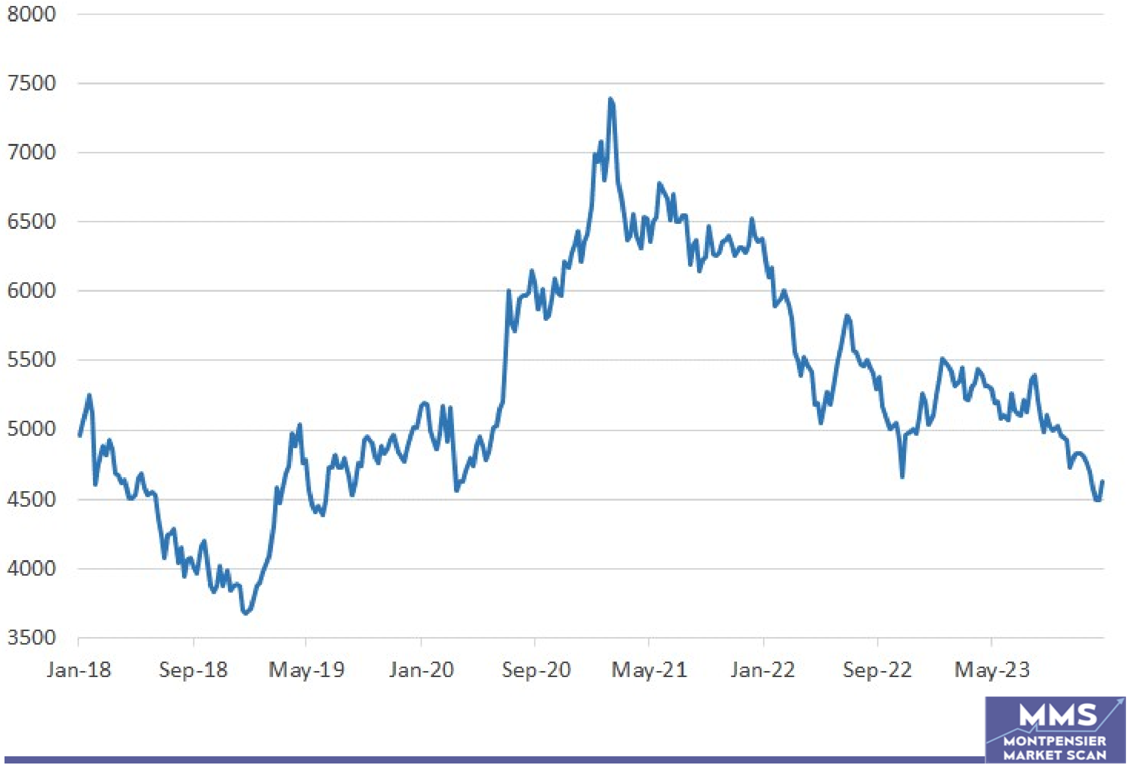
MSCI EMERGING MARKETS INDEX PERFORMANCE SINCE JANUARY 1, 2022 (IN DOLLARS).



Source : Bloomberg / Montpensier Finance as of December 31, 2023

The Chinese case is indicative of the volatility of investor sentiment in the past year. The manufacturing sector is suffering because global dynamics are not at the expected level, and the revival of investments and real estate is not yielding the anticipated effects. However, the first half was not uniformly negative because concurrently, service consumption - especially related to tourism - and luxury goods remained strong, allowing indices to resist in the first part of the year. On the other hand, the persistent lack of internal dynamics and the lack of clarity about the actual intentions of Beijing authorities affected both the mainland and Hong Kong markets in the second half, leading to a decline in indices once again.

CHINA: CSI 300 DNR EVOLUTION SINCE JANUARY 1, 2018 (IN CNY)

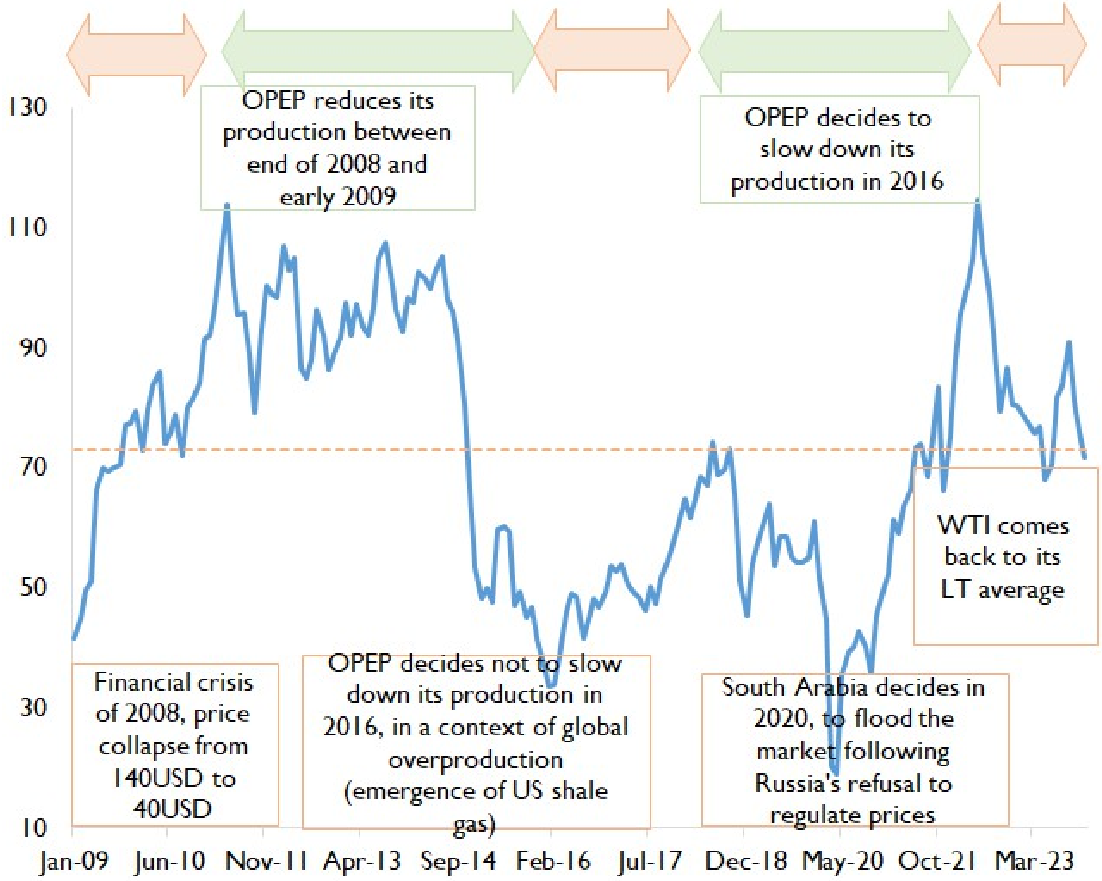


Source: Bloomberg / Montpensier Finance as of December 29, 2023

Commodities

After the significant fluctuations in 2022, and despite tensions in the Gulf in the last quarter, energy prices have been trending downwards this year due to uncertainties about the continuation of global economic momentum and the production increase in the United States, especially in the Permian Basin, exceeding expectations. American light crude, after finishing 2022 at $80, concluded the period at $72 per barrel, despite efforts from OPEC and Russia to support prices.

EVOLUTION OF THE PRICE OF A BARREL OF OIL



Source: Bloomberg / Montpensier Finance as of December 29, 2023

European electricity, after the significant volatility in 2022, has returned below $50 per MWh, reaching levels close to, or even lower than, pre-pandemic prices.

In the short and medium term, geopolitical tensions, temperature forecasts for the last months of winter in the Northern Hemisphere, and the evolution of global growth will continue to influence energy prices. The situation appears stabilized for the beginning of the year in Europe, thanks to secure LNG supply this winter and very high gas stocks - exceeding 80% - at the end of December 2023.

In the longer term, prices will still be contingent on the ability of states and energy companies to rapidly develop both renewable energy sources, the nuclear fleet, and network efficiency. This must be done while continuing efforts towards energy efficiency and ensuring the maintenance, as necessary, of existing production infrastructure on the path to decarbonizing activities.

The prices of industrial metals remained influenced by fears of a global economic slowdown, although the key theme for the second half was stability, especially for copper. After a significant increase in the early part of the year, surpassing $400 per tonne due to hopes of a strong recovery in China, copper slightly retreated to finish the year at $390. Aluminum benefited from concerns about inventory levels in China, appreciating towards the end of the period and returning to its early-year levels. The price of maritime freight, affected by fears of global slowdown, had also corrected significantly until early December, stabilizing below pre- pandemic levels before concerns about security in the Red Sea pushed rates higher at the very end of the year.

L'or a profité des espoirs d'une prochaine pause dans les hausses de taux mondiales, ainsi que des tensions géopolitiques, pour battre son plus haut historique à 2135$ l'once début décembre 2023 et de terminer tout proche de cette marque, à 2063$ l'once.

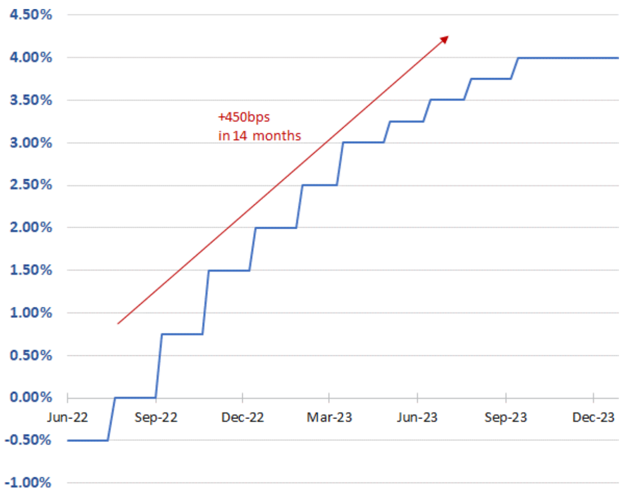
After the crypto winter of 2022, Bitcoin, along with all other crypto assets, regained momentum this year. This was driven by the renewed favor of the technology sector among investors, regulatory calm, and the prospect of a decline in real interest rates. The rise was spectacular in the second half of the year. After finishing 2022 below $17,000 and closing the first half just above $30,000, Bitcoin ended 2023 at $42,000!

Central Banks, Interest Rates, Exchange Rates

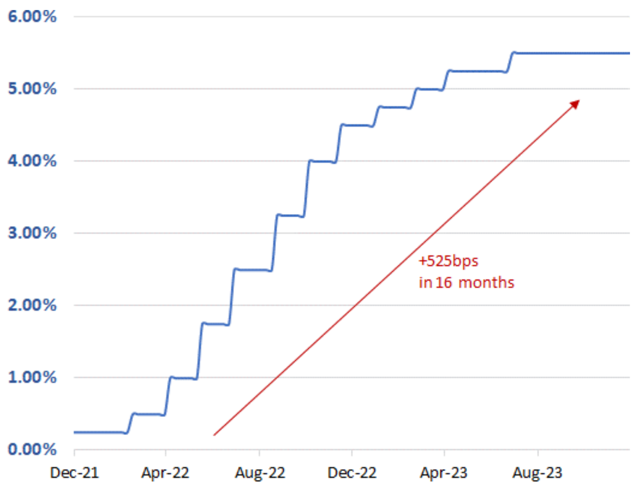
After the strong surge in prices until the third quarter of 2022, central banks continued their forced march towards monetary tightening until September. On both sides of the Atlantic, they implemented the fastest interest rate hike since the early 1980s, before easing off a bit towards the end of the year, raising hopes for a more accommodative approach in 2024.

After already rising sharply in 2022, benchmark interest rates continued their ascent at a slightly slower pace, going from 0.25% to 5.50% in the United States and from -0.5% to 4.00% in Europe in just over eighteen months. However, longer-term rates did not follow this movement. Anticipating a quick pivot by central bankers in 2024, the 10-year US rate finished December at 3.88%, more than 140 basis points below the three- month rate. The inversion of yield curves on both sides of the Atlantic signals that, for investors, the probability of a recession in the next six months is increasing.

EVOLUTION OF ECB INTEREST RATES

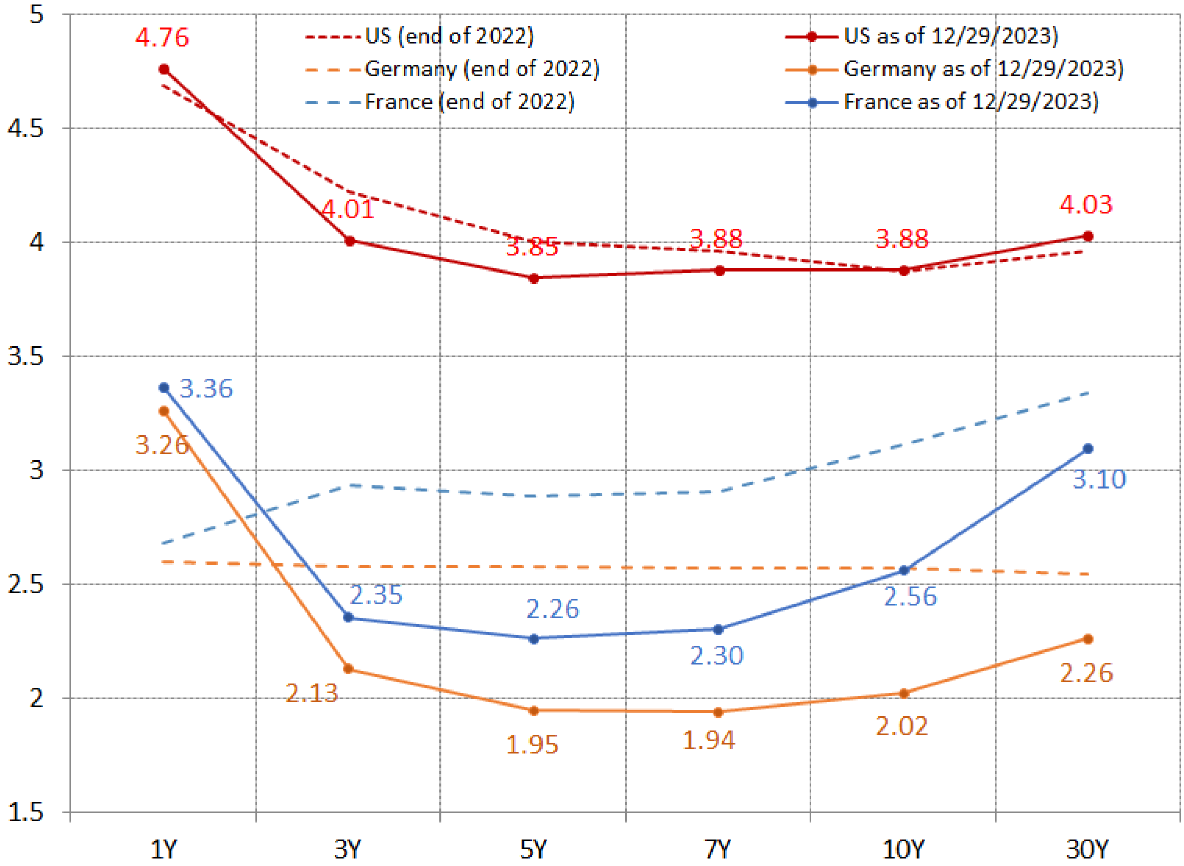


EVOLUTION OF FED INTEREST RATES



Illustrating this uncertainty, in Europe, the French 10-year yield finished the year at 2.56%, significantly below its mark of 3.11% at the end of December 2022 and well below the ECB deposit rate. The European benchmark, the 10-year Bund, followed a similar pattern, below 2% at 2.02% on December 31.

GERMAN AND U.S. RATES STABILIZED IN 2023



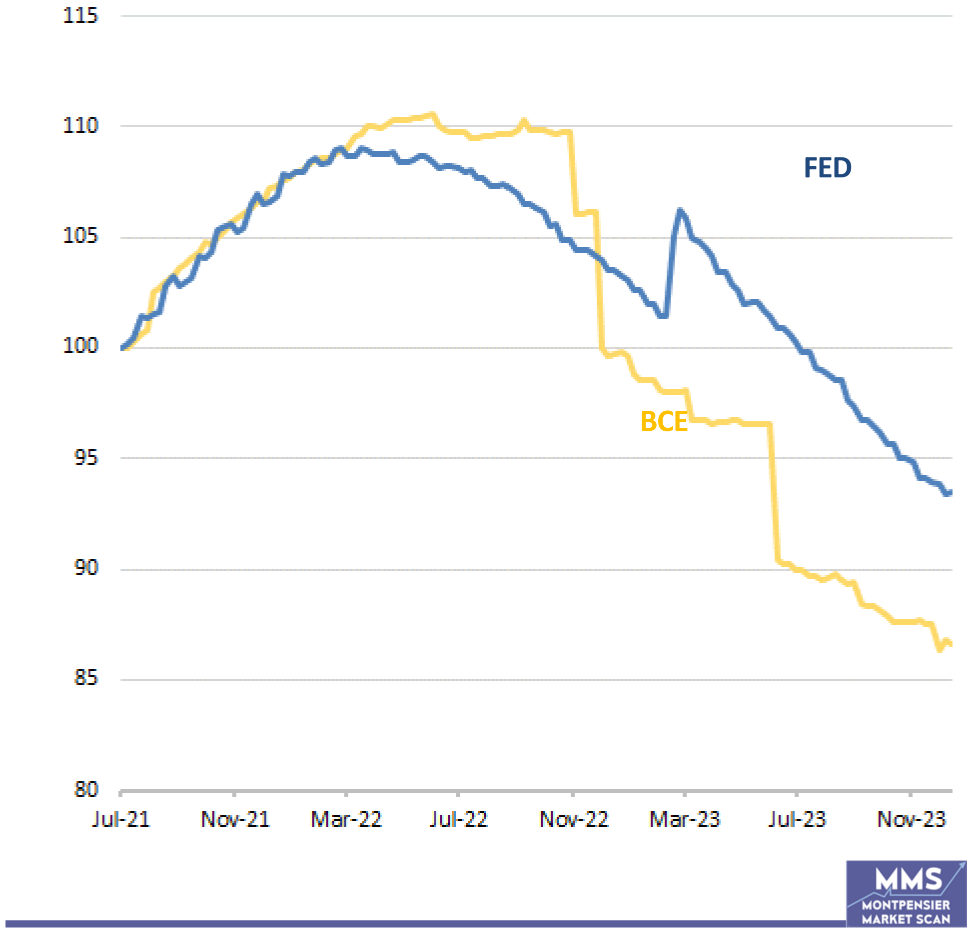
Source: Bloomberg / Montpensier Finance as of December 29, 2023

Visibility on the evolution of the monetary landscape is particularly low at the beginning of this year. In recent central bank monetary policy meetings, the Fed has clearly paved the way for future interest rate cuts without specific commitments, while the ECB maintained a very cautious stance. The markets have strongly anticipated interest rate cuts, especially as doubts persist about the continuation of a robust global economic momentum.

Given the now very pronounced decline in inflation indices—although still well above the "talismanic" 2% mark—the interplay of central bankers' inherent caution with market expectations and the threat of a recession could create tensions within the decision-making bodies of major monetary institutions as early as 2024. It will also be essential to monitor the Bank of Japan (BoJ), as the Japanese central bank has implicitly acknowledged that the end of its all-encompassing monetary support policy is approaching. Such a change will require proceeding with great caution, as the ultra-accommodative nature of Japan's monetary policy has long been ingrained in the minds of investors worldwide.

In both Europe and the United States, the reduction of the balance sheets of the two central banks has also continued, and even accelerated in the second half. Steering the continuation of this process will be one of the key elements to follow in 2024 because the balance sheets remain substantial: they still represent over 30% of the GDP of the central bank's activity zone in the United States and over 52% in Europe.

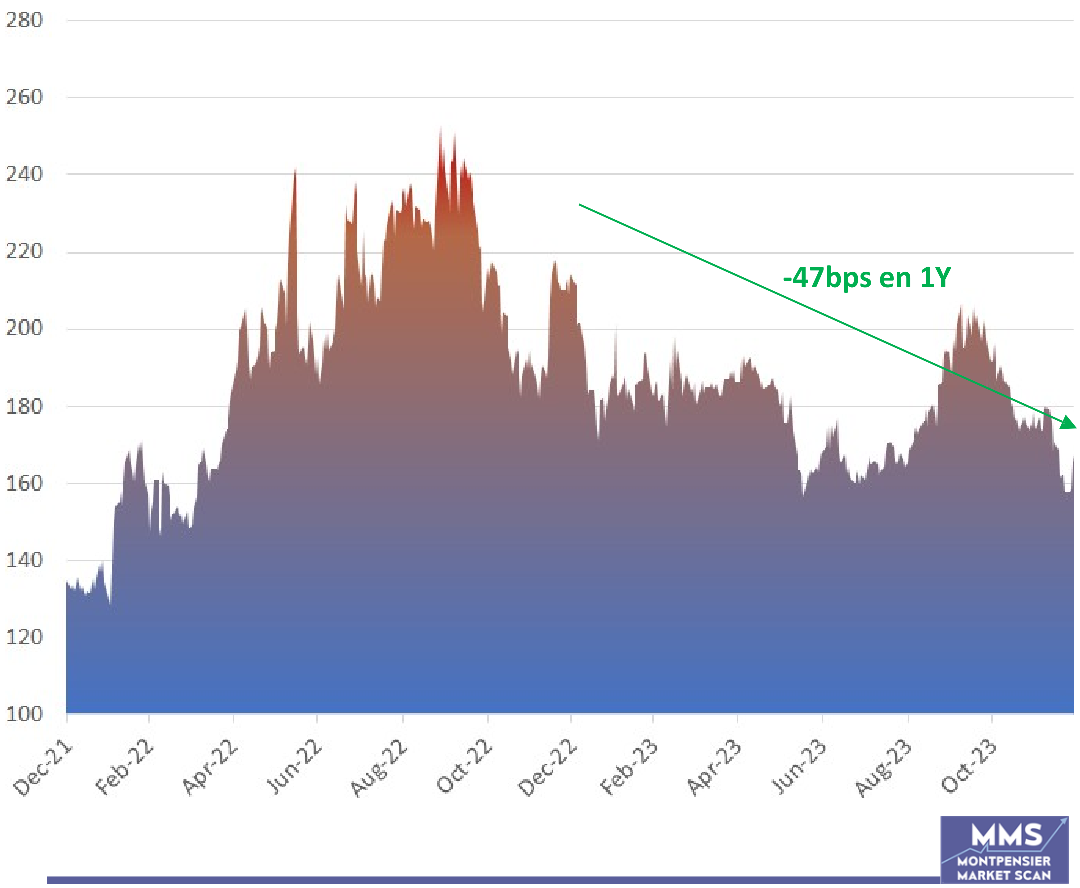
THE BALANCE SHEETS OF CENTRAL BANKS ARE DEFLATING.



Source: Bloomberg / Montpensier Finance as of January 10, 2024

On the Old Continent, attention remains, as often in this context, focused on the yield spreads between different sovereign debts to gauge investor stress regarding the future of the eurozone. Italy, at the forefront of traditional investor concerns, does not currently evoke major worries, with a yield spread between BTPs and Bunds stabilized around 170 bps for the past six months. The focus now is on avoiding an unpleasant surprise concerning France, which escaped further deterioration of its debt in 2023 but remains under pressure from rating agencies.

THE 10-YEAR BTP/BUND SPREAD IS NARROWING



Source: Bloomberg / Montpensier Finance as of December 29, 2023

On the foreign exchange front, despite fluctuations related to differing growth prospects in Europe and the United States, as well as stronger expectations of monetary tightening on the other side of the Atlantic at the end of the year, overall stability prevailed. The exchange rate was 1.10 dollars for one euro on December 31, very close to the rate of 1.07 at the end of 2022 and even closer to the mark of 1.09 dollars for one euro on June 30 of the same year.

Following the hopes of stimulus and the reopening of the country at the end of 2022, which had allowed the Chinese currency to stabilize just below the 7 Yuan per Dollar threshold, increasing doubts about China's economic performance led to a gradual depreciation of the exchange rate. After reaching a yearly low around
7.34 Yuan per dollar, which appears to be a new significant symbolic threshold for the country's authorities, support from its foreign trade partners and stabilization of economic prospects, albeit at unencouraging levels, allowed the currency to rebound at the end of the year to around 7.10 yuan per dollar.

HISTORICAL CHART OF THE YUAN/DOLLAR

Source : Bloomberg / Montpensier Finance as of December 29, 2023

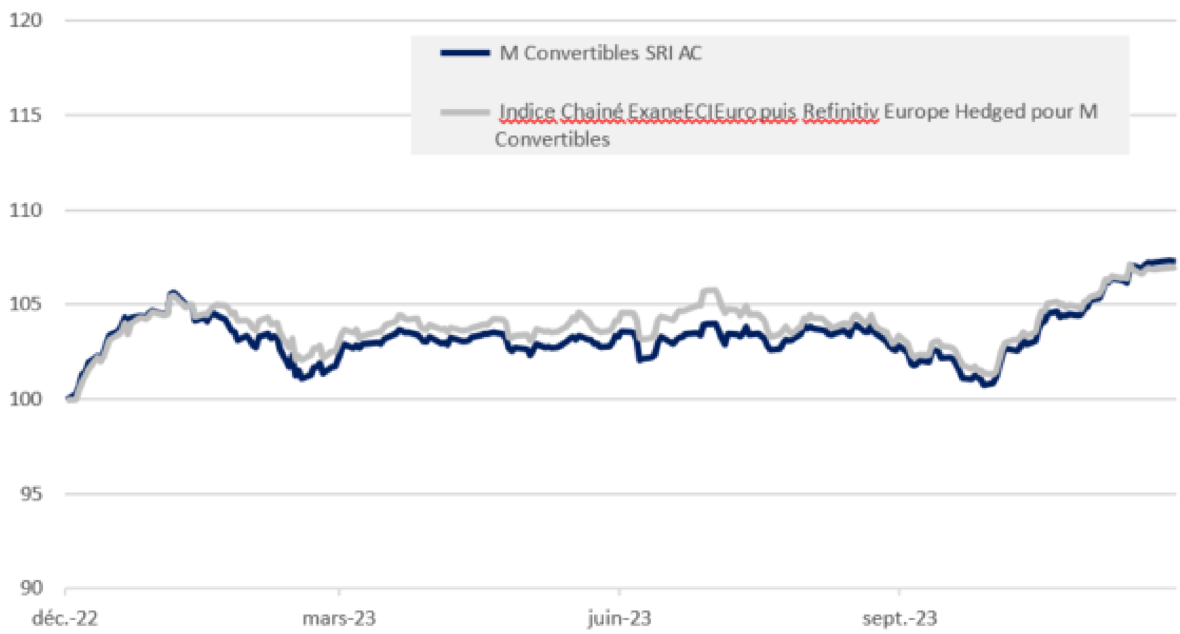
- **M Convertibles SRI: Data & Performances as of 29/12/2023**

Fund Total Assets : 381.60 millions Euros

		30/12/2022	29/12/2023
Net Asset Value - share class AC (€)		143.20	153.66
	Yearly Return		*7.30%*
Net Asset Value - share class AD* (€)		1 960.94	2 083.92
	Yearly Return		*7.31%*
Net Asset Value - share class IC (€)		523.65	564.16
	Yearly Return		*7.74%*
Net Asset Value - share class ID** (€)		456.68	487.26
	Yearly Return		*7.74%*

Indice Chainé ExaneECIEuro puis Refinitiv Europ		255.62	273.71
	Yearly Return		*7.08%*

* on 19/04/2023, share class AD paid a dividend of 19.61 € by unit.
** on 19/04/2023, share class ID paid a dividend of 4.57 € by unit.



Source : Bloomberg / Montpensier Finance

The figures provided relate to previous years.
Past performance is not indicative of current or future results.

Synthetic Risk Indicator :

Lower risk — Higher risk

1	2	**3**	4	5	6	7

The risk indicator is based on the assumption that the Fund is held for the recommended holding period. The actual risk may vary significantly in the event of early redemption and the investor may incur a lower return or even a higher loss.

- **Global Risk as of 29/12/2023**

Fund Global Risk calculated according to the engagment method is 28.24%

- **Indicative Exposure and Fund Total Asset Evolution**

As of 29/12/2023, the SICAV exposure to Convertibles Bonds was 95.93%

		30/12/2022	29/12/2023	Variation
Fund Total Assets		525 860 542.66	381 604 057.88	-27.43%
Number of unit AC		689 588.9150	152 484.1560	
	Share class assets	*98 751 121*	*23 431 756*	
Number of unit AD		34.0000	34.0000	
	Share class assets	*66 672*	*70 853*	
Number of unit IC		785 784.5910	605 312.7160	
	Share class assets	*411 478 995*	*341 495 375*	
Number of unit ID		34 080.0000	34 080.0000	
	Share class assets	*15 563 755*	*16 606 074*	

- **Indicative quantitative data**

	30/12/2022	29/12/2023
Yield to Maturity	2.97%	2.66%
Maturity	3.57	3.58
Equity sensitivity *	0.28	0.27
Modified Duration	3.21	3.10

**measuring the variation of convertible bond price related to a variation of 1% of the underlying stock price (Bloomberg hypothesis).*

- **Main investments & disposals over the period**

The main net purchases (Money market excluded) from 30/12/2022 to 29/12/2023 are as follows (ordered by decreasing amounts, in Euros)

Name	Amount in EUR	%*
Eni - 2.95% - 09/2030	9 086 664	2.19%
Spie - 2% - 01/2028	8 045 872	1.94%
Schneider Electric - 1.97% - 11/2030	6 600 000	1.59%
Saipem - 2.875% - 09/2029	5 955 316	1.43%
Lagfin (Campari) - 3.5% - 06/2028	5 954 735	1.43%
Cellnex Telecom - 2.125% - 08/2030	5 700 000	1.37%
SNAM SPA (Italgas) - 3.25% - 09/2028	4 000 000	0.96%
Merrill Lynch (TotalEnergies) - 0% - 01/2026	3 129 000	0.75%
Citigroup (L'Oréal) - 0% - 03/2028	3 045 000	0.73%
FEMSA (Heineken) - 2.625% - 02/2026	2 500 000	0.60%

** average total assets from 30/12/2022 to 29/12/2023*

The main net disposals (Money market excluded) from 30/12/2022 to 29/12/2023 are as follows (ordered by decreasing amounts, in Euros)

Name	Amount in EUR	Weight (%)*
MTU Aero Engines - 0.05% - 03/2027	15 309 868	3.68%
Safran - 0.875% - 05/2027	15 242 750	3.67%
Prysmian - 0% - 02/2026	15 136 300	3.64%
Adidas AG - 0.05% - 09/2023	10 795 936	2.60%
Edenred - 0% - 09/2024	10 276 600	2.47%
Lufthansa - 2% - 11/2025	9 816 288	2.36%
Amadeus - 1.5% - 04/2025	9 686 781	2.33%
Archer (Kering) - 0% - 03/2023	9 371 296	2.25%
Edenred - 0% - 06/2028	9 126 500	2.20%
Artemis (Puma) - 0% - 06/2025	8 490 150	2.04%

** average total assets from 30/12/2022 to 29/12/2023*

- **Top holdings**

as of 30/12/2022 :

Name	Weight (%)
Safran - 0.875% - 05/2027	4.18%
Prysmian - 0% - 02/2026	3.54%
Zalando - 0.625% - 08/2027	3.35%
Artemis (Puma) - 0% - 06/2025	3.23%
Edenred - 0% - 06/2028	3.10%
Top 5	17.40%
Number of holdings	64

as of 29/12/2023 :

Name	Weight (%)
Cellnex Telecom - 0.75% - 11/2031	3.50%
Just Eat (Takeaway.com) - 0.625% - 02/2028	3.17%
Tui AG - 5% - 04/2028	3.10%
Zalando - 0.625% - 08/2027	2.92%
JP Morgan Chase (Sanofi) - 0% - 01/2025	2.90%
Top 5	15.60%
Number of holdings	64

- **Evolution of geographical breakdown from 30/12/2022 to 29/12/2023**

The evolution of the indicative geographical breakdown of underlying securities from 30/12/2022 to 29/12/2023 is as follows :

	30/12/2022	**29/12/2023**
Total	100.00%	100.00%
France	28.55%	29.78%
Germany	35.19%	27.80%
Netherlands	9.69%	12.64%
Spain	9.79%	12.36%
Italy	8.80%	12.35%
Belgium	4.02%	2.85%
United Kingdom	0.59%	1.35%
Ireland	1.08%	0.86%
Denmark	1.00%	0.00%
Austria	1.30%	0.00%
Others	0.00%	0.00%

Source : Montpensier Finance / Bloomberg

- **Evolution industry breakdown from 30/12/2022 to 29/12/2023**

The evolution of the indicative industry breakdown of underlying securities from 30/12/2022 to 29/12/2023 is as follows :

	30/12/2022	29/12/2023
Total	100.00%	100.00%

Industrial Goods and Services	24.63%	18.53%
Telecommunications	7.57%	9.98%
Technology	9.34%	9.88%
Utilities	6.38%	9.31%
Consumer Products and Services	13.44%	8.27%
Travel and Leisure	6.96%	6.27%
Energy	0.00%	5.72%
Food, Beverage and Tobacco	5.04%	5.36%
Health Care	5.62%	4.92%
Chemicals	4.82%	4.43%
Real Estate	4.28%	3.96%
Retail	4.91%	3.81%
Construction and Materials	0.00%	2.35%
Automobiles and Parts	3.00%	2.22%
Personal Care, Drug and Grocery Stores	0.78%	1.85%
Financial Services	2.55%	1.80%
Banks	0.68%	1.35%
Basic Resources	0.00%	0.00%
Media	0.00%	0.00%
Insurance	0.00%	0.00%

Source Montpensier Finance / Bloomberg

- **Regarding funds not governed by the SFTR - In the accounting currency of the UCI (EUR)**

Over the course of the reporting period, the UCI was not involved in any transactions governed by the Securities Financing Transactions Regulation (SFTR).

- **Portfolio performance from 30/12/2022 to 29/12/2023**

Indice Chainé ExaneECIEuro puis Refinitiv Europe Hedged pour M Convertibles Index returned a performance of 7.08% over the period, to be compared to a performance of 7.30% for the fund (class « AC »).

Analysis of indicative holdings contribution

The major positive and negative contributors to the portfolio return over the period are :

Top 5	Contribution
Safran - 0.875% - 05/2027	0.81%
Tui AG - 5% - 04/2028	0.76%
Cellnex Telecom - 0.75% - 11/2031	0.43%
Elis - 2.25% - 09/2029	0.43%
International Consolidated Airlines - 1.125% - 05/2028	0.38%

Bottom 5	Contribution
Nexity - 0.875% - 04/2028	-0.05%
JP Morgan Chase (Sanofi) - 0% - 01/2025	-0.06%
DiaSorin - 0% - 05/2028	-0.10%
Delivery Hero - 3.25% - 02/2030	-0.12%
MTU Aero Engines - 0.05% - 03/2027	-0.13%

Source Montpensier Finance / Factset

Intermediaries Selection Policy
https://www.montpensier.com/en-FR/regulatory-information
Policy on shareholder engagement :

Voting Policy

https://www.montpensier.com/sites/default/files/public/documents/voting_policy.pdf

Engagement Policy

https://www.montpensier.com/sites/default/files/public/documents/engagement_policy.pdf

ESG Policy

https://www.montpensier.com/sites/default/files/public/documents/politique-esg.pdf

4. REGULATORY INFORMATIONS

EFFICIENT PORTFOLIO MANAGEMENT (EPM) TECHNIQUES AND FINANCIAL DERIVATIVE INSTRUMENTS IN EUR

a) Exposure obtained through the EPM techniques and Financial derivative instruments

- **Exposure obtained through the EPM techniques:**
  - o Securities lending:
  - o Securities loans:
  - o Reverse repurchase agreement:
  - o Repurchase:
- **Underlying exposure reached through financial derivative instruments: 13,256,206.29**
  - o Forward transaction: 13,256,206.29
  - o Future:
  - o Options:
  - o Swap:

b) Identity of the counterparty(ies) to EPM techniques and financial derivative instruments

Identity of the counterparty(ies) to EPM techniques	Financial derivative instruments (*)
	SOCIETE GENERALE PAR

(*) Except the listed derivatives.

c) Type and amount of collateral received by the UCITS to reduce counterparty risk

Types of financial instruments	Amount portfolio currency
EPM	
. Term deposit	
. Equities	
. Bonds	
. UCITS	
. Cash (*)	
Total	
Financial derivative instruments	
. Term deposit	
. Equities	
. Bonds	
. UCITS	
. Cash	
Total	

(*) The Cash account also integrates the liquidities resulting from repurchase transactions.

d) Revenues and operational cost/fees from EPM

Revenues and operational cost/fees	Amount portfolio currency
. Revenues (*)	965.12
. Other revenues	
Total revenues	**965.12**
. Direct operational fees	145.56
. Indirects operational fees	
. Other fees	
Total fees	**145.56**

(*) Income received on loans and reverse repurchase agreements.

BEST SELECTION POLICY FOR MARKET INTERMEDIARIES

In accordance with the current regulations and the transposition of the MIFID 2004/39/EC Directive, dated April 21st 2004 concerning Markets in Financial Instruments, Montpensier Finance has put in place a policy for selecting market intermediaries, in compliance with its obligation to act in the best interest of clients and the UCITS that it manages.

General principles

Montpensier Finance has delegated order management for its managed portfolios to Amundi Intermédiation, considering that this intermediary takes all reasonable measures to ensure the best achievable results.

Amundi Intermédiation is authorised by the CECEI as an investment service provider to receive and transmit orders on behalf of third parties for most financial instruments referred to in article L. 211-1 of the Code Monétaire et Financier.

Executing-broker selection is agreed jointly between Amundi Intermédiation and Montpensier Finance, through the application of Amundi Intermédiation's selection policy.

Furthermore, Montpensier Finance has implemented a best selection procedure for counterparties and intermediaries based on its requirements in terms of « investment decision-making support ».

Montpensier Finance Best Selection policy is available on Montpensier Finance website :
https://www.montpensier.com/en-fr/regulatory-information

POLICY ON SHAREHOLDER ENGAGEMENT - VOTING POLICY

Montpensier Finance considers that the exercise of voting rights is an integral part of the investment management process and should be carried out in the best interest of its clients.

Montpensier Finance voting rights policy aims to promote the long-term valuation of its UCI investments, by encouraging the best governance practices and promoting professional ethics.

In application of article 319-21 of the AMF General Regulations, Montpensier Finance voting policy is available on https://www.montpensier.com/en-fr/regulatory-information

POLICY ON SHAREHOLDER ENGAGEMENT - ENGAGEMENT POLICY

Montpensier Finance completes its voting policy with an Engagement Policy.

Fund managers are encouraged to raise any concern with companies during meetings, especially when the ESG issues seem insufficiently accounted for.

The fund managers, assisted by the SRI analysts, will establish a positive and constructive mid-to-long-term relationship with companies held in the portfolio. This dialogue is conducted with the aim of:

✓ Encouraging companies to set up an ESG commitment;

✓ Encouraging companies to communicate about their ESG practices.

Montpensier Finance engagement policy is available on https://www.montpensier.com/en-fr/regulatory-information.

ESG POLICY

In accordance with article L.533-22-1 of the Code Monétaire et Financier the following information concerns the respect of social, environmental and governance (ESG) criteria.

Information concerning criteria relating to the respect of social, environmental and governance (ESG) objectives has been published on the investment management company website since July 1st 2012 and in the annual reports relating to financial years since the year starting on January 1st 2012.

Montpensier Finance is a signatory to the United-Nations Principles for Responsible Investment initiative (PRI).

As a result, several measures have been put in place by Montpensier Finance in order to adapt its investment management processes and implement procedures and an organisational structure aiming to respect the Principles for Responsible Investment, by taking into account environmental, social and governance factors.

Montpensier Finance ESG approach is described on the Responsible Commitment page of Montpensier Finance website : https://www.montpensier.com/en-FR/responsible-commitment

EU TAXONOMY Wording

Article 8

Extra-financial approach implemented in the fund's management process is presented in the OPCVM's Transparency Code available on the fund's dedicated webpage of Montpensier Finance website.
The approach of taking into account extra-financial criteria is based on the proprietary SRI analysis methodology developed by Montpensier Finance, and is designed to mitigate sustainability risks, although it does not guarantee that sustainability risks are totally neutralized.

The consideration of Principal Adverse Impact indicators in the management process is described in the ESG Policy implemented by Montpensier Finance, available on the Montpensier Finance website:
https://www.montpensier.com/sites/default/files/public/documents/esg-policy.pdf

Extra-financial performance indicators of the UCITS are presented below, in the periodic disclosure for the financial products referred to in Article 8 section / Environmental and/or social characteristics, of the management report.
Additional indicators are presented in the impact report of the UCITS, available on the fund's dedicated webpage of Montpensier Finance website.

Under Article 50 of the SFDR Level 2 Delegated Regulation, information on the achievement of environmental or social features promoted by the financial product is available in the annex to this report.

COMPLAINTS HANDLING PROCEDURE POLICY

Montpensier Finance has implemented and maintains operational a procedure to reasonably and quickly process eventual complaints made by its clients. The policy is available on : https://www.montpensier.com/en-fr/regulatory-information

For any complaints, the client can send a mail to Montpensier Finance to the following address:

Montpensier Finance
Responsable Conformité et Contrôle Interne
58 avenue Marceau
75008 Paris
France

TOTAL RISK CALCULATION METHOD

The method for calculating the total risk ratio is the commitment method.

SWING PRICING METHOD USED TO ADJUST THE NET ASSET VALUE WITH A TRIGGER THRESHOLD

This mechanism makes investors subscribing for or redeeming their shares bear the costs associated with transactions carried out on the assets of the Fund due to changes (subscriptions or redemptions) in its liabilities. The purpose of this mechanism, which is governed by a policy, is to protect the shareholders who remain in the Fund by ensuring they bear the lowest possible costs. The result is the calculation of an adjusted, or "swung", net asset value.
If, on a net asset value calculation day, the net amount of subscription and redemption orders from investors across all the Fund's share classes exceeds a threshold that has been predetermined on the basis of objective criteria by the management company, the net asset value expressed as a percentage may be adjusted upwards or downwards to take into account the readjustment costs attributable to the net subscription and redemption orders. If the Fund issues several share categories, the net asset value of each share category is calculated separately, but any adjustment has, as a percentage, the same impact on all net asset values of the share categories of the Fund.
The parameters for readjustment costs and the trigger threshold are determined by the management company and reviewed periodically. These costs are estimated by the management company based on transactions costs, buy/sell spreads and also any taxes applicable to the Fund.

It is not possible to accurately predict whether this adjustment mechanism will be applied at a given moment in the future, or how often the management company will have to make these adjustments.
Investors are advised that the volatility of the Fund's net asset value may not be the only indicator of the volatility of the securities held in the portfolio as a result of applying this adjustment mechanism.
The “swung” net asset value is the Fund's only net asset value and the only one communicated to its shareholders.

REMUNERATION POLICY

Investment management team remuneration policy

The company remuneration policy aims at promoting a sound and efficient risk management that do not incitate teams to take inappropriate risks with regards to the funds and management company risk profiles and that ensures that measures are set up to prevent potential conflicts of interest. The quality of each individual work is an important factor to determine the remuneration level; it takes into account sustainability criteria.

The remuneration policy is available on the management company website (https://www.montpensier.com/en-fr/regulatory-information) and can be provided free of charge in hard copy on simple request to the management company

Amount of compensation paid by the manager to his staff

Compensation policy indication (fixed and variable):

- ➔ Number of beneficiaries: 41 people, including 21 'risk takers', whose professional activities have a substantial impact on the risk profile of Montpensier Finance or the risk profiles of the AIF or UCITS managed.
- ➔ Amounts of fixed and variable deferred and non-deferred remuneration (fixed 2023 and variable under 2022): 7 422 K€s, of which 4 313 K€s is fixed remuneration paid to all staff.
- ➔ Aggregate amount of fixed and variable remuneration of 'risk takers': 5 776 K€s.

NB: Compensation data were not audited by the OPC Auditor.

OTHER INFORMATION

The last annual reports and the assets composition of the fund can be provided within 8 business days upon written request at:

MONTPENSIER FINANCE
58, avenue Marceau
75008 PARIS
FRANCE
Téléphone : 01 45 05 55 55
e-mail : contact@montpensier.com

The fund prospectus and KIID are available on the management company website: www.montpensier.com

5. STATUTORY AUDITOR'S CERTIFICATION

M CONVERTIBLES SRI

Mutual Fund

58, avenue Marceau
75008 PARIS

Statutory auditors' report on the financial statements

For the year ended 29th December 2023

This is a translation into English of the statutory auditors' report on the financial statements of the Mutual Fund issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

M CONVERTIBLES SRI

Mutual Fund
58, avenue Marceau

75008 PARIS

Statutory auditors' report on the financial statements

For the year ended 29th December 2023

To the Shareholders of M CONVERTIBLES SRI

Opinion

In compliance with the engagement entrusted to us by your Management Company, we have audited the accompanying financial statements of M CONVERTIBLES SRI for the year ended 29th December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Fund as at 29th December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "Statutory Auditors' Responsibilities for the Audit of the Financial Statements" section of our report.

Independence

We conducted our audit engagement in compliance with independence rules applicable to us, for the period from 31 december 2022 to the date of our report and specifically we did not provide any prohibited non-audit services referred in the French Code of ethics (code de déontologie) for statutory auditors.

Justification of assessments

In accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we inform you of the following assessments that, in our professional judgment, were of most significance in our audit of the financial statements of the current period.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Verification of the Management Report established by the Management Company

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the fund and in the other documents provided to Unitholders with respect to the financial position and the financial statements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Fund or to cease operations.

The financial statements were approved by the management company.

Statutory Auditors’ Responsibilities for the Audit of the Financial Statements

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L. 823-10-1 of the French Commercial Code (code de commerce), our statutory audit does not include assurance on the viability of the Fund or the quality of management of the affairs of the Fund.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud September involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.

- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.

- Assesses the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that September cast significant doubt on the Fund’s ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions September cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.

- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation

Paris La Défense, 8th March 2024

The Statutory Auditors

French original signed by

Deloitte & Associés

Sylvain Giraud | Jean-Marc Lecat

6. ANNUAL ACCOUNTS STATEMENTS

BALANCE SHEET AT 29/12/2023 in EUR

ASSETS

	12/29/2023	12/30/2022
FIXED ASSETS, NET		
DEPOSITS		
FINANCIAL INSTRUMENTS	**372,984,882.40**	**505,956,348.64**
Equities and similar securities		
Traded in a regulated market or equivalent		
Not traded in a regulated market or equivalent		
Bonds and similar securities	**366,060,198.89**	**502,312,732.27**
Traded in a regulated market or equivalent	366,060,198.89	502,312,732.27
Not traded in a regulated market or equivalent		
Credit instruments		
Traded in a regulated market or equivalent		
Negotiable credit instruments (Notes)		
Other credit instruments		
Not traded in a regulated market or equivalent		
Collective investment undertakings	**6,924,683.51**	**3,643,616.37**
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries	6,924,683.51	3,643,616.37
Other Funds intended for non-professionals and equivalents in other EU Member States		
General-purpose professional funds and equivalents in other EU Member States and listed securitisation entities		
Other professional investment funds and equivalents in other EU Member States and listed securitisation agencies		
Other non-European entities		
Temporary transactions in securities		
Credits for securities held under sell-back deals		
Credits for loaned securities		
Borrowed securities		
Securities sold under buy-back deals		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other operations		
Other financial instruments		
RECEIVABLES	**13,287,572.26**	**11,214,404.03**
Forward currency transactions	13,256,206.29	11,046,656.12
Others	31,365.97	167,747.91
FINANCIAL ACCOUNTS	**8,811,582.13**	**20,391,539.83**
Cash and cash equivalents	8,811,582.13	20,391,539.83
TOTAL ASSETS	**395,084,036.79**	**537,562,292.50**

LIABILITIES

	12/29/2023	12/30/2022
SHAREHOLDERS' FUNDS		
Capital	387,099,252.01	531,976,152.90
Allocation Report of distributed items (a)	262,832.85	592,110.77
Brought forward (a)		
Allocation Report of distributed items on Net Income (a,b)	-10,062,197.86	-5,699,841.59
Result (a,b)	4,304,170.88	-1,007,879.42
TOTAL NET SHAREHOLDERS' FUNDS *	**381,604,057.88**	**525,860,542.66**
** Net Assets*		
FINANCIAL INSTRUMENTS		
Transactions involving transfer of financial instruments		
Temporary transactions in securities		
Sums owed for securities sold under buy-back deals		
Sums owed for borrowed securities		
Other temporary transactions		
Hedges		
Hedges in a regulated market or equivalent		
Other hedges		
PAYABLES	**13,479,978.91**	**11,701,749.84**
Forward currency transactions	13,096,535.49	10,955,565.28
Others	383,443.42	746,184.56
FINANCIAL ACCOUNTS		
Short-term credit		
Loans received		
TOTAL LIABILITIES	**395,084,036.79**	**537,562,292.50**

(a) Including adjusment
(b) Decreased interim distribution paid during the business year

OFF-BALANCE SHEET AT 29/12/2023 in EUR

	12/29/2023	12/30/2022
HEDGES		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		
OTHER OPERATIONS		
Contracts in regulated markets or similar		
OTC contracts		
Other commitments		

INCOME STATEMENT at 29/12/2023 in EUR

	12/29/2023	12/30/2022
Revenues from financial operations		
Revenues from deposits and financial accounts	211,832.01	14,957.91
Revenues from equities and similar securities		
Revenues from bonds and similar securities	7,997,508.13	3,888,099.79
Revenues from credit instruments		
Revenues from temporary acquisition and disposal of securities	965.12	31.47
Revenues from hedges		
Other financial revenues		
TOTAL (1)	**8,210,305.26**	**3,903,089.17**
Charges on financial operations		
Charges on temporary acquisition and disposal of securities	145.56	
Charges on hedges		
Charges on financial debts		159,473.68
Other financial charges		
TOTAL (2)	**145.56**	**159,473.68**
NET INCOME FROM FINANCIAL OPERATIONS (1 - 2)	**8,210,159.70**	**3,743,615.49**
Other income (3)		
Management fees and depreciation provisions (4)	3,470,839.13	4,841,623.34
NET INCOME OF THE BUSINESS YEAR (L.214-17-1) (1 - 2 + 3 - 4)	**4,739,320.57**	**-1,098,007.85**
Revenue adjustment (5)	-435,149.69	90,128.43
Interim Distribution on Net Income paid during the business year (6)		
NET PROFIT (1 - 2 + 3 - 4 + 5 - 6)	**4,304,170.88**	**-1,007,879.42**

ACCOUNTING ANNEX

1. ACCOUNTING RULES AND METHODS

The annual accounts are presented in the form provided for by ANC regulation n ° 2014-01, as amended.

The general principles of accounting apply:
- faithful image, comparability, business continuity,
- regularity, sincerity,
- caution,
- consistency of methods from one financial year to another.

The accounting method used for recording income from fixed income securities is that of accrued interest.

Entries and disposals of securities are accounted for excluding fees.
The reference currency for portfolio accounting is in euros.
The duration of the exercise is 12 months.

Asset valuation rules

Financial instruments are recorded in the accounts according to the historical cost method and entered in the balance sheet at their current value which is determined by the last known market value or if there is no market by any external means or by recourse to financial models.
The differences between the current values used when calculating the net asset value and the historical costs of the transferable securities when they enter the portfolio are recorded in "estimate differences" accounts.
Values that are not in the portfolio currency are valued in accordance with the principle set out below, then converted into the portfolio currency according to the currency rates on the valuation day.

Deposits:

Deposits with a residual maturity of 3 months or less are valued using the linear method.

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

For the calculation of the net asset value, shares and other securities traded on a regulated or similar market are valued on the basis of the last market price of the day.
Bonds and similar securities are valued at the closing price communicated by various financial service providers. The accrued interest on bonds and similar securities is calculated up to the date of the net asset value.

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

Securities not traded on a regulated market are valued under the responsibility of the Board of Directors using methods.

Negotiable debt securities:

Negotiable debt securities and similar securities which are not the subject of significant transactions are actuarially valued on the basis of a reference rate defined below, increased, if applicable, by a difference representative of the intrinsic characteristics of the 'transmitter:
- TCN whose maturity is less than or equal to 1 year: Interbank offered rate in euros (Euribor);
- TCN with a maturity of more than 1 year: Rate of Treasury Bills with Normalized Annual Interest (BTAN) or OAT rate (OAT (Assimilable Treasury Bonds) of close maturity for the longest terms.

Negotiable Debt Securities with a residual maturity of 3 months or less may be valued using the straight-line method.

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

UCIs held:

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

Temporary securities transactions:
Securities received under repurchase agreements are recorded as assets under the heading "Receivables representing securities received under repurchase agreements" for the amount provided for in the contract, plus accrued interest receivable.

Securities sold under repurchase agreements are entered in the long portfolio at their current value. The debt representing securities sold under repurchase agreements is entered in the seller's portfolio at the value set in the contract, plus accrued interest payable

Securities loaned are valued at their current value and are recorded as assets under the heading "Receivables representing securities loaned" at the current value plus accrued interest receivable.

Borrowed securities are recorded as assets under the heading "securities borrowed" for the amount provided for in the contract, and as liabilities under the heading "debts representing borrowed securities" for the amount provided for in the contract plus accrued interest payable.

Financial futures:

Financial futures instruments traded on a regulated or similar market:
Futures financial instruments traded on regulated markets are valued at the day's clearing price.

Financial futures not traded on a regulated or similar market:

Swaps:
Interest rate and / or currency swap contracts are valued at their market value based on the price calculated by discounting future interest flows at interest rates and / or market currencies. This price is corrected for the risk of signature.

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

The other swaps are valued at their market value or at an estimated value according to the methods adopted by the Board of Directors.

Off-Balance Sheet Commitments:
Forward contracts are entered at their market value as off-balance sheet commitments at the price used in the portfolio.
Conditional forward transactions are translated into the underlying equivalent.
Commitments on swap contracts are presented at their nominal value, or in the absence of a nominal value for an equivalent amount.

Management fees
Management and operating costs cover all costs relating to the UCI: financial, administrative, accounting, custody, distribution, audit costs, etc.
These costs are charged to the income statement of the UCI.
Management fees do not include transaction fees. For more details on the fees actually invoiced to the UCI, refer to the prospectus.

They are recorded on a pro rata basis each time the net asset value is calculated.
The aggregate of these charges complies with the maximum net asset charge rate indicated in the prospectus or fund regulations:

FR0013084365 - M CONVERTIBLES ID: Maximum fee rate of 0.80% incl.
FR0013084340 - M CONVERTIBLES AD: Maximum fee rate of 1.20% incl.
FR0013084357 - M CONVERTIBLES IC: Maximum fee rate of 0.80% incl.
FR0013083680 - M CONVERTIBLES AC: Maximum fee rate of 1.20% incl.

Allocation of distributable sums

Definition of distributable sums

Distributable sums are made up of:

The result:

The net result for the financial year is equal to the amount of interest, arrears, bonuses and prizes, dividends, directors' fees and all other income relating to the securities constituting the portfolio, increased by the proceeds of the sums currently available and reduced by the amount of management fees. management and charge of loans. It is increased by retained earnings and increased or decreased by the balance of the income adjustment account.

Profits and Losses:

Realized capital gains, net of costs, less realized capital losses, net of costs, recognized during the year, increased by net capital gains of the same nature recognized during previous years that did not subject to distribution or capitalization and reduced or increased by the balance of the capital gains adjustment account.

Methods of allocating distributable sums:

Fund(s)	***Allocation of the net income***	***Allocation of the net realized gains and losses***
Share M CONVERTIBLES SRI AC	Accumulation	Accumulation
Share M CONVERTIBLES SRI AD	Accumulation and/ or distribution a decision taken by the management	Accumulation and/ or distribution a decision taken by the management
Share M CONVERTIBLES SRI IC	Accumulation	Accumulation
Share M CONVERTIBLES SRI ID	Accumulation and/ or distribution a decision taken by the management	Accumulation and/ or distribution a decision taken by the management

2. CHANGES IN NET ASSETS AT 29/12/2023 in EUR

	12/29/2023	12/30/2022
NET ASSETS IN START OF PERIOD	**525,860,542.66**	**671,437,198.62**
Subscriptions (including subscription fees received by the fund)	22,065,034.97	80,394,247.49
Redemptions (net of redemption fees received by the fund)	-199,258,810.38	-144,646,463.13
Capital gains realised on deposits and financial instruments	7,407,063.37	18,716,367.15
Capital losses realised on deposits and financial instruments	-18,399,112.45	-24,853,692.68
Capital gains realised on hedges	727,936.28	
Capital losses realised on hedges	-766,600.35	-3,531.21
Dealing costs	-791,073.70	-1,108,355.82
Exchange gains/losses	-204,793.34	-8,680.87
Changes in difference on estimation (deposits and financial instruments)	40,380,962.59	-72,788,164.96
Difference on estimation, period N	*-4,930,631.56*	*-45,311,594.15*
Difference on estimation, period N-1	*45,311,594.15*	*-27,476,570.81*
Changes in difference on estimation (hedges)		
Difference on estimation, period N		
Difference on estimation, period N-1		
Net Capital gains and losses Accumulated from Previous business year	-156,412.34	-180,374.08
Distribution on Net Capital Gains and Losses from previous business year		
Net profit for the period, before adjustment prepayments	4,739,320.57	-1,098,007.85
Allocation Report of distributed items on Net Income		
Interim Distribution on Net Income paid during the business year		
Other items		
NET ASSETS IN END OF PERIOD	**381,604,057.88**	**525,860,542.66**

OTHERS INFORMATIONS

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR COMMERCIAL TYPE

	Amount	%
ASSETS		
BONDS AND SIMILAR SECURITIES		
Convertible bonds traded on a regulated or similar market	366,060,198.89	95.93
TOTAL BONDS AND SIMILAR SECURITIES	**366,060,198.89**	**95.93**
CREDIT INSTRUMENTS		
TOTAL CREDIT INSTRUMENTS		
LIABILITIES		
TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
TOTAL TRANSACTIONS INVOLVING TRANSFER OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET		
HEDGES		
TOTAL HEDGES		
OTHERS OPERATIONS		
TOTAL OTHERS OPERATIONS		

3.2. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TYPE

	Fixed rate	%	Variable rate	%	Rate subject to review	%	Others	%
ASSETS								
Deposits								
Bonds and similar securities	362,731,488.89	95.05			3,328,710.00	0.87		
Credit instruments								
Temporary transactions in securities								
Financial accounts							8,811,582.13	2.31
LIABILITIES								
Temporary transactions in securities								
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.3. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY TIME TO MATURITY(*)

	< 3 months	%	]3 months - 1 year]	%	]1 - 3 years]	%	]3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and similar securities			3,072,570.00	0.81	131,385,508.08	34.43	164,068,816.91	42.99	67,533,303.90	17.70
Credit instruments										
Temporary transactions in securities										
Financial accounts	8,811,582.13	2.31								
LIABILITIES										
Temporary transactions in securities										
Financial accounts										
OFF-BALANCE SHEET										
Hedges										
Others operations										

(*) All hedges are shown in terms of time to maturity of the underlying securities.

3.4. BREAKDOWN OF ASSET, LIABILITY AND OFF-BALANCE SHEET ITEMS, BY LISTING OR EVALUATION EUR

	Currency 1 GBP		Currency 2 USD		Currency 3		Currency N Others currencies	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and similar securities								
Bonds and similar securities	4,824,697.54	1.26	8,736,796.38	2.29				
Credit instruments								
Mutual fund								
Temporary transactions in securities								
Receivables								
Financial accounts	48,002.50	0.01	16,859.00					
LIABILITIES								
Transactions involving transfer of financial instruments								
Temporary transactions in securities								
Debts	4,594,619.47	1.20	8,501,916.02	2.23				
Financial accounts								
OFF-BALANCE SHEET								
Hedges								
Others operations								

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Type of debit/credit	12/29/2023
RECEIVABLES		
	Funds to be accepted on urgent sale of currencies	13,256,206.29
	Subscription receivable	26,115.97
	Coupons and dividends in cash	5,250.00
TOTAL RECEIVABLES		**13,287,572.26**
PAYABLES		
	Urgent sale of currency	13,096,535.49
	Redemptions to be paid	86,680.69
	Fixed management fees	247,548.30
	Others payables	49,214.43
TOTAL PAYABLES		**13,479,978.91**
TOTAL PAYABLES AND RECEIVABLES		**-192,406.65**

3.6. SHAREHOLDERS' FUNDS

3.6.1. NUMBER OF UNITS ISSUED OR REDEEMED

	Shares	Value
Share M CONVERTIBLES SRI AC		
Shares subscribed during the period	39,945.093	5,915,555.31
Shares redeemed during the period	-577,049.852	-85,186,416.62
Net Subscriptions/Redemptions	-537,104.759	-79,270,861.31
Shares in circulation at the end of the period	152,484.156	
Share M CONVERTIBLES SRI AD		
Shares subscribed during the period		
Shares redeemed during the period		
Net Subscriptions/Redemptions		
Shares in circulation at the end of the period	34	
Share M CONVERTIBLES SRI IC		
Shares subscribed during the period	29,482.330	16,149,479.66
Shares redeemed during the period	-209,954.205	-114,072,393.76
Net Subscriptions/Redemptions	-180,471.875	-97,922,914.10
Shares in circulation at the end of the period	605,312.716	
Share M CONVERTIBLES SRI ID		
Shares subscribed during the period		
Shares redeemed during the period		
Net Subscriptions/Redemptions		
Shares in circulation at the end of the period	34,080	

3.6.2. SUBSCRIPTION AND/OR REDEMPTION FEES

	Value
Share M CONVERTIBLES SRI AC	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Share M CONVERTIBLES SRI AD	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Share M CONVERTIBLES SRI IC	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	
Share M CONVERTIBLES SRI ID	
Total of subscription and/or redemption fees received	
Subscription fees received	
Redemption fees received	

3.7. MANAGEMENT FEES CHARGEABLE TO THE FUND

	12/29/2023
Share M CONVERTIBLES SRI AC	
Underwriting commission	
Fixed management fees	484,162.11
Percentage set for fixed management fees	1.20
Trailer fees	
Share M CONVERTIBLES SRI AD	
Underwriting commission	
Fixed management fees	819.48
Percentage set for fixed management fees	1.20
Trailer fees	
Share M CONVERTIBLES SRI IC	
Underwriting commission	
Fixed management fees	2,858,080.15
Percentage set for fixed management fees	0.80
Trailer fees	
Share M CONVERTIBLES SRI ID	
Underwriting commission	
Fixed management fees	127,777.39
Percentage set for fixed management fees	0.80
Trailer fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. FUTHER DETAILS

3.9.1. STOCK MARKET VALUES OF TEMPORARILY ACQUIRED SECURITIES

	12/29/2023
Securities held under sell-back deals Borrowed securities	

3.9.2. STOCK MARKET VALUES OF PLEDGED SECURITIES

	12/29/2023
Financial instruments pledged but not reclassified Financial instruments received as pledges but not recognized in the Balance Sheet	

3.9.3. GROUP FINANCIAL INSTRUMENTS HELD BY THE FUND

	ISIN code	Name of security	12/29/2023
Equities			
Bonds			
Notes			
UCITS			
Hedges			
Total group financial instruments			

3.10. TABLE OF ALLOCATION OF THE DISTRIBUTABLE SUMS

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO PROFIT (LOSS)

	12/29/2023	12/30/2022
Sums not yet allocated		
Brought forward		
Profit (loss)	4,304,170.88	-1,007,879.42
FR - Résultat avant acompte(s)		
Total	**4,304,170.88**	**-1,007,879.42**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI AC		
Allocation		
Distribution		
Brought forward		
Capitalized	180,211.28	-518,047.02
Total	**180,211.28**	**-518,047.02**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI AD		
Allocation		
Distribution	545.70	
Brought forward	0.02	
Capitalized		-351.34
Total	**545.72**	**-351.34**
Details of units with dividend entitlement		
Number of units	34	34
Distribution per share/unit	16.05	
Tax credits		
Tax credit attached to the distribution of income		

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI IC		
Allocation		
Distribution		
Brought forward		
Capitalized	3,931,756.26	-471,458.84
Total	**3,931,756.26**	**-471,458.84**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI ID		
Allocation		
Distribution	191,529.60	
Brought forward	128.02	
Capitalized		-18,022.22
Total	**191,657.62**	**-18,022.22**
Details of units with dividend entitlement		
Number of units	34,080	34,080
Distribution per share/unit	5.62	
Tax credits		
Tax credit attached to the distribution of income		

TABLE OF ALLOCATION OF THE DISTRIBUTABLE SHARE OF THE SUMS CONCERNED TO CAPITAL GAINS AND LOSSES

	12/29/2023	12/30/2022
Sums not yet allocated		
Net Capital gains and losses Accumulated from Previous business year	262,832.85	592,110.77
Net Capital gains and losses of the business year	-10,062,197.86	-5,699,841.59
Allocation Report of distributed items on Net Capital Gains and Losses		
Total	**-9,799,365.01**	**-5,107,730.82**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI AC		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-619,089.56	-1,075,520.17
Total	**-619,089.56**	**-1,075,520.17**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI AD		
Allocation		
Distribution		666.74
Net capital gains and losses accumulated per share		1,133.65
Capitalized	-749.44	
Total	**-749.44**	**1,800.39**
Details of units with dividend entitlement		
Number of units	34	34
Distribution per unit		**19.61**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI IC		
Allocation		
Distribution		
Net capital gains and losses accumulated per share		
Capitalized	-9,000,912.29	-4,451,455.84
Total	**-9,000,912.29**	**-4,451,455.84**

	12/29/2023	12/30/2022
Share M CONVERTIBLES SRI ID		
Allocation		
Distribution		155,745.60
Net capital gains and losses accumulated per share		261,699.20
Capitalized	-178,613.72	
Total	**-178,613.72**	**417,444.80**
Details of units with dividend entitlement		
Number of units	34,080	34,080
Distribution per unit		**4.57**

3.11. TABLE OF PROFIT (LOSS) AND OTHER TYPICAL FEATURES OF THE FUND OVER THE PAST FIVE FINANCIAL PERIODS

	12/31/2019	12/31/2020	12/31/2021	12/30/2022	12/29/2023
Global Net Assets in EUR	**537,406,060.34**	**670,565,527.93**	**671,437,198.62**	**525,860,542.66**	**381,604,057.88**
Share M CONVERTIBLES SRI AC in EUR					
Net assets	77,161,922.60	97,608,721.71	130,545,665.53	98,751,121.02	23,431,755.87
Number of shares/units	487,601.329	578,832.810	795,254.932	689,588.915	152,484.156
NAV per share/unit	158.24	168.63	164.15	143.20	153.66
Net Capital Gains and Losses Accumulated per share	-1.79	-2.54	7.04	-1.55	-4.06
Net income Accumulated on the result	-1.17	-1.09	-1.20	-0.75	1.18
Share M CONVERTIBLES SRI AD in EUR					
Net assets	347,128.51	343,125.59	77,256.57	66,672.00	70,853.39
Number of shares/units	157	147	34	34	34
NAV per share/unit	2,211.00	2,334.18	2,272.25	1,960.94	2,083.92
Distribution on Net Capital gains and losses	18.79		22.72	19.61	
Net capital gains and losses accumulated per share			74.78	33.34	
Net Capital Gains and Losses Accumulated per share		-35.23			-22.04
Distribution on Net Income on the result					16.05
Tax credits per share/unit					
Net income Accumulated on the result	-16.52	-15.20	-16.66	-10.33	

	12/31/2019	12/31/2020	12/31/2021	12/30/2022	12/29/2023
Share M CONVERTIBLES SRI IC in EUR					
Net assets	459,886,811.40	572,602,894.96	522,049,515.30	411,478,994.61	341,495,375.04
Number of shares/units	804,317.578	936,042.221	873,163.804	785,784.591	605,312.716
NAV per share/unit	571.77	611.72	597.88	523.65	564.16
Net Capital Gains and Losses Accumulated per share	-6.46	-9.20	25.59	-5.66	-14.86
Net income Accumulated on the result	-2.01	-1.71	-1.94	-0.59	6.49
Share M CONVERTIBLES SRI ID in EUR					
Net assets	10,197.83	10,785.67	18,764,761.22	15,563,755.03	16,606,073.58
Number of shares/units	20	20	35,602	34,080	34,080
NAV per share/unit	509.89	539.28	527.07	456.68	487.26
Distribution on Net Capital gains and losses	5.35		5.27	4.57	
Net capital gains and losses accumulated per share	0.99		17.29	7.67	
Net Capital Gains and Losses Accumulated per share		-7.13			-5.24
Distribution on Net Income on the result					5.62
Tax credits per share/unit					
Net income Accumulated on the result	-1.81	-1.52	-1.73	-0.52	

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
Bonds and similar securities				
Listed bonds and similar securities				
BELGIUM				
GROUPE BRUXELLES LAMBERT 2.125% 29-11-25	EUR	7,800,000	7,606,147.41	2.00
SAGERPAR ZCP 01-04-26 CV	EUR	7,000,000	6,439,370.00	1.68
UMICORE ZCP 23-06-25 CV	EUR	4,000,000	3,753,520.00	0.98
TOTAL BELGIUM			**17,799,037.41**	**4.66**
FRANCE				
ACCOR 0.7% 07-12-27 CV	EUR	30,000	1,440,630.00	0.38
BNP PAR ZCP 13-05-25 CV	EUR	4,000,000	4,812,940.00	1.26
EDENRED ZCP 14-06-28 CV	EUR	110,000	7,287,445.00	1.91
ELIS EX HOLDELIS 2.25% 22-09-29	EUR	7,000,000	9,066,273.77	2.38
FNAC DARTY 0.25% 23-03-27 CV	EUR	35,000	2,460,587.50	0.64
NEOEN 2.0% 02-06-25 CV	EUR	44,400	2,038,115.40	0.54
NEOEN 2.875% 14-09-27 CV	EUR	3,200,000	3,018,742.95	0.79
SAFRAN 0.875% 15-05-27 CV	EUR	63,000	10,309,792.50	2.70
SAFRAN ZCP 01-04-28 CV	EUR	27,600	5,164,594.80	1.36
SCHNEIDER ELECTRIC SE 0.0% 15-06-26	EUR	26,286	5,150,150.27	1.35
SCHNEIDER ELECTRIC SE 1.97% 27-11-30 CV	EUR	6,600,000	7,147,189.32	1.87
SELENA SARL ZCP 25-06-25 CV	EUR	90	8,494,965.00	2.23
SPIE 2.0% 17-01-28 CV	EUR	8,000,000	8,397,937.78	2.20
VEOLIA ENVIRONNEMENT ZCP 01-01-25	EUR	110,000	3,433,540.00	0.90
VOLTALIA 1.0% 13-01-25 CV	EUR	232,000	6,884,136.00	1.80
WENDEL 2.625% 27-03-26 CV	EUR	1,600,000	1,592,624.66	0.41
TOTAL FRANCE			**86,699,664.95**	**22.72**
GERMANY				
DELIVERY HERO SE 1.0% 23-01-27	EUR	9,500,000	7,550,614.46	1.98
DELIVERY HERO SE 1.5% 15-01-28	EUR	5,000,000	3,763,379.35	0.99
DELIVERY HERO SE 2.125% 10-03-29	EUR	2,200,000	1,590,134.92	0.42
DELIVERY HERO SE 3.25% 21-02-30	EUR	2,000,000	1,742,785.11	0.45
DEUTSCHE LUFTHANSA AG 2.0% 17-11-25 CV	EUR	3,900,000	4,207,036.93	1.11
DEUTSCHE POST AG 0.05% 30-06-25	EUR	10,000,000	9,798,336.89	2.56
LEG IMMOBILIEN AG 0.4% 30-06-28	EUR	9,000,000	7,767,581.09	2.04
LEG IMMOBILIEN SE 0.875% 01-09-25	EUR	2,000,000	1,952,008.96	0.51
NORDEX AG 4.25% 14-04-30 CV	EUR	1,500,000	1,505,063.61	0.39
RAG STIFTUNG 1.875% 16-11-29	EUR	6,200,000	6,441,412.67	1.69
RAG STIFTUNG ZCP 17-06-26 CV	EUR	6,000,000	5,631,510.00	1.47
TAG IMMOBILIEN AG 0.625% 27-08-26	EUR	5,000,000	4,407,829.48	1.16
TUI AG 5.0% 16-04-28 CV	EUR	12,000,000	11,840,308.20	3.10
ZALANDO SE 0.625% 06-08-27 CV	EUR	13,000,000	11,133,024.18	2.92
TOTAL GERMANY			**79,331,025.85**	**20.79**
IRELAND				
GLANBIA CO OPERATIVE SOCIETY 1.875% 27-01-27	EUR	3,000,000	3,071,511.52	0.80
TOTAL IRELAND			**3,071,511.52**	**0.80**

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
ITALY				
DIASORIN ZCP 05-05-28 CV	EUR	6,800,000	5,615,678.00	1.47
ENI 2.95% 14-09-30 CV EMTN	EUR	9,000,000	9,548,835.49	2.50
NEXI 1.75% 24-04-27 CV	EUR	2,600,000	2,430,856.50	0.64
NEXI ZCP 24-02-28 CV	EUR	5,000,000	4,343,475.00	1.14
PIRELLI C ZCP 22-12-25 CV	EUR	8,000,000	7,917,360.00	2.07
PRYSMIAN 0.0000010% 02-02-26	EUR	3,500,000	3,872,942.50	1.02
SAIPEM 2.875% 11-09-29 CV	EUR	5,800,000	6,300,215.90	1.65
SNAM 3.25% 29-09-28 CV EMTN	EUR	4,000,000	4,093,565.71	1.07
TOTAL ITALY			**44,122,929.10**	**11.56**
LUXEMBOURG				
CITIGROUP GLOBAL MKTS FUNDING AUTRE V+0.0% 15-03-28 CV	EUR	3,000,000	3,328,710.00	0.87
LAGFIN SCA 3.5% 08-06-28 CV	EUR	6,000,000	5,914,628.03	1.55
TOTAL LUXEMBOURG			**9,243,338.03**	**2.42**
MEXICO				
FOMENTO ECONOMICO MEXICANO SAB DE 2.625% 24-02-26	EUR	2,500,000	2,558,075.68	0.67
TOTAL MEXICO			**2,558,075.68**	**0.67**
NETHERLANDS				
BASIC FIT NV 1.5% 17-06-28 CV	EUR	1,700,000	1,541,732.93	0.41
BE SEMICONDUCTOR INDUSTRIES NV 1.875% 06-04-29	EUR	900,000	1,222,910.48	0.32
ENCAVIS FINANCE BV 1.875% PERP	EUR	4,000,000	3,681,876.72	0.96
JUST EAT TAKEAWAYCOM NV 0.625% 09-02-28	EUR	16,000,000	12,111,385.65	3.17
JUST EAT TAKEAWAYCOM NV 1.25% 30-04-26	EUR	8,000,000	7,017,039.56	1.84
MERRILL LYNCH BV ZCP 30-01-26	EUR	3,000,000	3,072,705.00	0.81
PHARMING GROUP NV 3.0% 31-01-25	EUR	900,000	880,998.85	0.23
SHOP APOTHEKE EUROPE NV ZCP 21-01-28	EUR	5,500,000	5,148,770.00	1.35
TOTAL NETHERLANDS			**34,677,419.19**	**9.09**
SPAIN				
AMADEUS CM 1.5% 09-04-25 CV	EUR	5,000,000	6,183,397.95	1.62
CELLNEX TELECOM 0.5% 05-07-28 CV	EUR	8,000,000	8,568,850.71	2.24
CELLNEX TELECOM 0.75% 20-11-31 CV	EUR	16,000,000	13,364,826.23	3.51
CELLNEX TELECOM 2.125% 11-08-30 CV	EUR	5,700,000	5,921,779.68	1.55
IBERDROLA FINANZAS SAU 0.8% 07-12-27 CV	EUR	10,000,000	10,103,501.64	2.65
INTL CONSOLIDATED AIRLINES GROU 1.125% 18-05-28	EUR	10,000,000	8,924,717.03	2.34
TOTAL SPAIN			**53,067,073.24**	**13.91**
SWITZERLAND				
STMICROELECTRONICS NV ZCP 04-08-27	USD	8,000,000	8,736,796.38	2.29
TOTAL SWITZERLAND			**8,736,796.38**	**2.29**
UNITED KINGDOM				
JET2 1.625% 10-06-26 CV	GBP	3,000,000	3,352,231.43	0.88
OCADO GROUP 0.875% 09-12-25 CV	GBP	1,400,000	1,472,466.11	0.39
TOTAL UNITED KINGDOM			**4,824,697.54**	**1.27**
UNITED STATES OF AMERICA				
JPMORGAN CHASE BANK N A ZCP 10-06-24	EUR	3,000,000	3,072,570.00	0.81
JP MORGAN CHASE FINANCIAL COMPANY LLC ZCP 14-01-25	EUR	11,000,000	11,072,270.00	2.90
JP MORGAN CHASE FINANCIAL COMPANY LLC ZCP 29-04-25	EUR	7,000,000	7,783,790.00	2.04

3.12. PORTFOLIO LISTING in EUR

Name of security	Currency	Quantity	Market value	% Net Assets
TOTAL UNITED STATES OF AMERICA			**21,928,630.00**	**5.75**
TOTAL Listed bonds and similar securities			**366,060,198.89**	**95.93**
TOTAL Bonds and similar securities			**366,060,198.89**	**95.93**
Collective investment undertakings				
General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries				
FRANCE				
AMUNDI EURO LIQUIDITY-RATED SRI DP	EUR	9	6,924,683.51	1.81
TOTAL FRANCE			**6,924,683.51**	**1.81**
TOTAL General-purpose UCITS and alternative investment funds intended for non-professionals and equivalents in other countries			**6,924,683.51**	**1.81**
TOTAL Collective investment undertakings			**6,924,683.51**	**1.81**
Receivables			**13,287,572.26**	**3.48**
Payables			**-13,479,978.91**	**-3.53**
Financial accounts			**8,811,582.13**	**2.31**
Net assets			**381,604,057.88**	**100.00**

Share M CONVERTIBLES SRI AD	**EUR**	**34**	**2,083.92**
Share M CONVERTIBLES SRI ID	**EUR**	**34,080**	**487.26**
Share M CONVERTIBLES SRI AC	**EUR**	**152,484.156**	**153.66**
Share M CONVERTIBLES SRI IC	**EUR**	**605,312.716**	**564.16**

ADDITIONAL INFORMATION CONCERNING THE FISCAL REGIME OF THE COUPON

Breakdown of the coupon: Share M CONVERTIBLES SRI AD

	TOTAL NET INCOME	CURRENCY	UNIT NET INCOME	CURRENCY
Revenue qualifying for the withholding tax option	545.70	EUR	16.05	EUR
Shares entitling a deduction				
Other revenue not entitling a deduction or withholding tax				
Non-distribuable and non-taxable income				
Amount distributed on capital gains and losses				
TOTAL	545.70	EUR	16.05	EUR

Breakdown of the coupon: Share M CONVERTIBLES SRI ID

	TOTAL NET INCOME	CURRENCY	UNIT NET INCOME	CURRENCY
Revenue qualifying for the withholding tax option	191,529.60	EUR	5.62	EUR
Shares entitling a deduction				
Other revenue not entitling a deduction or withholding tax				
Non-distribuable and non-taxable income				
Amount distributed on capital gains and losses				
TOTAL	191,529.60	EUR	5.62	EUR

7. ANNEXE

Template periodic disclosure for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852

Product name:
M Convertibles SRI

Legal Entity Identifier:
969500572C3I648R9392

Environmental and/or social characteristics

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

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of environmentally sustainable economic activities.

That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Did this financial product have a sustainable investment objective?

☐ Oui	X Non
☐ **It made sustainable investments with an environmental objective : ___% of the fund's net assets**	X **It promoted Environmental/Social (E/S) characteristics and while it did not have as its objective a sustainable investment, it had a proportion of 43.1% of sustainable investments**
☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy	X with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy
☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	X with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy
	X with a social objective
☐ **It made sustainable investments with a social objective : ___% of the fund's net assets**	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

A Company is identified as sustainable by the asset manager, by applying the methodology described in the ESG Policy available on the website montpensier.com.

To what extent were the environmental and/or social characteristics promoted by this financial product met?

The fund integrates sustainability factors in its investment process, as indicated in more details below and in the chapter "Investment Strategy" of the Prospectus.
ESG criteria are taken into account by the fund in order to unify financial performance and the wish to positively influence, when possible, the issuer in terms of ESG performance, by encouraging companies to improve the integration of ESG criteria in their activities and valuing best practices.

The management company applied the policy described in the Pre-Contractual Document for financial products Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

44.89% of the invested portfolio excluding cash and cash equivalents and any collective investment schemes (meaning 43.06% of the fund's net asset) is made up of sustainable investments.

The portfolio's weighted average carbon intensity is slightly higher than the index and carbon footprint is in line with the index.

The proportions are similar when Scope 3 Tier 1 is added: the carbon intensity is slightly higher than the index and carbon footprint of the portfolio is in line with the index.

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

How did the sustainability indicators perform?

1.1. Environmental performance

Scopes 1 et 2	29/12/23	30/12/22
Weighted Average Carbon Intensity		
M Convertibles SRI	109	124
Refinitiv Europe Convertible Bond	105	118
Carbon Footprint		
M Convertibles SRI	70	106
Refinitiv Europe Convertible Bond	71	117
Coverage (% invested)		
M Convertibles SRI	*100.00%*	*100.00%*
Refinitiv Europe Convertible Bond	*100.00%*	*99.16%*

Source Montpensier Finance à partir des données MSCI

Weighted Average Carbon Intensity in Tons Emissions / $M Sales

Carbon Footprint in Tons Emissions / €M invested

Tier 1 Scope 3, cumulated with Scopes 1 and 2	29/12/23	30/12/22
Weighted Average Carbon Intensity		
M Convertibles SRI	173	186
Refinitiv Europe Convertible Bond	163	175
Carbon Footprint		
M Convertibles SRI	95	153
Refinitiv Europe Convertible Bond	96	159
Coverage (% invested)		
M Convertibles SRI	*98.22%*	*98.90%*
Refinitiv Europe Convertible Bond	*97.27%*	*96.10%*

Source Montpensier Finance à partir des données MSCI

NB: Under Delegated Regulation (EU) 2022/1288, from December 2023 on, the carbon footprint is standardised by EVIC (Enterprise Value + Cash). Previously, this normalisation was based on market capitalisation.

1.2. Social performance

	29/12/23	30/12/22
Significant Layoffs		
M Convertibles SRI	13.4%	22.0%
Refinitiv Europe Convertible Bond	12.8%	22.7%
Coverage (% invested)		
M Convertibles SRI	*98.28%*	100.0%
Refinitiv Europe Convertible Bond	*86.64%*	90.5%

	29/12/23	30/12/22
Women on the Board		
M Convertibles SRI	42.1%	40.7%
Refinitiv Europe Convertible Bond	40.9%	40.4%
Coverage (% invested)		
M Convertibles SRI	*100.00%*	100.0%
Refinitiv Europe Convertible Bond	*99.53%*	99.2%

Source Montpensier Finance / MSCI

Significant layoffs: Weight of portfolio companies identified identified as having recently conducted significant layoffs (over 1 000 employees laid off or 10% of the workforce) these 3 past years.

Women on the Board: Weighted weight of women on the Board of Directors and Supervisory Board of portfolio companies.

1.3. Governance performance

	29/12/23	30/12/22
Board independence		
M Convertibles SRI	97.7%	96.9%
Refinitiv Europe Convertible Bond	97.8%	97.0%
Remuneration linked to ESG objectives		
M Convertibles SRI	93.9%	90.2%
Refinitiv Europe Convertible Bond	90.5%	78.8%
Coverage (% invested)		
M Convertibles SRI	*100.00%*	*100.00%*
Refinitiv Europe Convertible Bond	*99.53%*	*99.16%*

Source Montpensier Finance / MSCI

Board independence: Weight of portfolio companies identified as having a majority of directors independent of employees, majority shareholders and governments.

Compensation linked to ESG objectives: Weight of portfolio companies identified as having integrated ESG criteria into executive compensation. This measurement is based on the reports published by the companies. It focuses strictly on whether or not these elements are included in the components of variable compensation, and does not take into account their effectiveness.

1.4. Human Rights performance

	29/12/23	30/12/22
Global Compact Compliance - Pass		
M Convertibles SRI	93.8%	97.1%
Refinitiv Europe Convertible Bond	95.1%	94.5%
Global Compact Compliance - Watch List		
M Convertibles SRI	6.2%	2.9%
Refinitiv Europe Convertible Bond	3.8%	3.3%
Global Compact Compliance - Fail		
M Convertibles SRI	0.0%	0.0%
Refinitiv Europe Convertible Bond	1.1%	1.3%
Global Compact Compliance - NR		
M Convertibles SRI	0.0%	0.0%
Refinitiv Europe Convertible Bond	0.0%	0.8%
Coverage (% invested)		
M Convertibles SRI	*100.00%*	*100.00%*
Refinitiv Europe Convertible Bond	*100.00%*	*99.16%*

Source Montpensier Finance / MSCI

Global Compact Compliance: Weight of portfolio companies identified as in compliance with the principles of the United Nations Global Compact.

… and compared to previous periods?

See above.

What were the objectives of the sustainable investments that the financial product partially made and how did the sustainable investment contribute to such objectives?

Montpensier Finance's methodology to identify sustainable investments is based on the following components:

- Evaluating the contribution to a sustainability objective, which rests on a best effort approach, with the aim to select the "best performers" (or to eliminate the "worst performers") on the basis of E and/or S criteria, as well as an approach relying on the Sustainable Development Goals (SDGs) and an exposition to sustainable activities, determined through an internal definition of "activities defined as sustainable";

- Evaluating compliance with the principles of good governance, based on our analysis of the alignment of interests between management, shareholders and stakeholders more generally ;

- Evaluating the "Do Not Significantly Harm" (DNSH) principle, which rests on sectorial exclusions, on Principal Adverse Impacts (PAI) and the monitoring of controversies, including in terms of governance.

For further details, see the Prospectus and the SFDR Pre-contractual Document appended to the prospectus of the UCI, available on the management company's website.

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

How did the sustainable investments that the financial product partially made not cause significant harm to any environmental or social sustainable investment objective?

How were the indicators for adverse impacts on sustainability factors taken into account?

Evaluating the "Do Not Significantly Harm" principle (DNSH) relies on exclusions, Principal Adverse Impacts (PAI) and the monitoring of controversies. In addition, companies with a negative environmental or social MIA impact, or E and S pillars, are considered to derogate the DNSH principle.

For further details, see the Prospectus and the SFDR Pre-contractual Document appended to the prospectus of the UCI, available on the management company's website.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

We exclude from our investment universe companies which are not aligned with certain international norms and conventions, most notably the United Nations Global Compact (UNGC), OECD Guidelines for Multinational Enterprises, the International Labor Organization (ILO) and the United Nations Guiding Principles on Business and Human Rights (UNGPBHR).
Companies which are subject to a "Red" controversy are excluded from the investment universe. Among these "Red" controversies are companies which are not in line with the United Nations Global Compact (Human Rights, Labor Rights, Environment and Corruption).

The EU Taxonomy sets out a “Do Not Significantly Harm” principle by which Taxonomy-aligned investments should not significantly harm EU Taxonomy objectives and is accompanied by specific Union criteria.

The “Do Not Significantly Harm” principle applies only to those investments underlying the financial product that take into account the Union criteria for environmentally sustainable economic activities. The investments underlying the remaining portion of this financial product do not take into account the Union criteria for environmentally sustainable economic activities.

How did this financial product consider principal adverse impacts on sustainability factors?

We take into account the main indicators of negative impacts in the policy of sectoral and normative exclusions, analysis of good governance practices (using the proprietary Montpensier Governance Flag - MGF), the proprietary qualitative analysis of the contribution of companies to environmental and solidarity transitions (Montpensier Impact Assessment – MIA, Montpensier Industry Contributor – MIC), and/or in the analysis of eco- activities that determines the contribution to one or more UN Sustainable Development Goals (SDGs).
The relevance and coverage of these indicators in analysis vary depending on the sector, industry and region in which each company operates.

Information regarding environmental, social and governance (ESG) objectives can be found on the management company's website:
https://www.montpensier.com/sites/default/files/public/documents/politique-esg.pdf

The "Do Not Significantly Harm" principle only applies to investments underlying the financial product which take into account the European Union's criteria for environmentally sustainable economic activities.
The investments underlying the remaining portion of this financial product do not take into account the European Union's criteria for environmentally sustainable economic activities.

What were the top investments of this financial product?

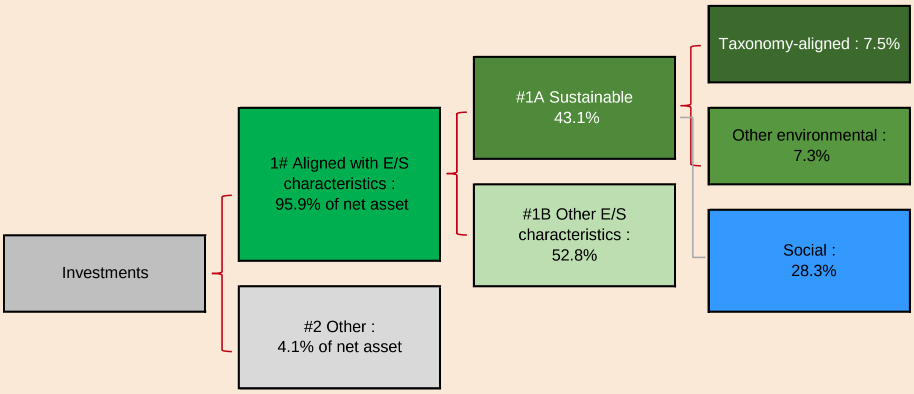
The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Largest investments	Sector	% Assets	Country
Cellnex Telecom - 0.75% - 11/2031	Telecommunications	3.50%	Espagne
Just Eat (Takeaway.com) - 0.625% - 02/2028	Technology	3.17%	Pays-Bas
Tui AG - 5% - 04/2028	Travel and Leisure	3.10%	Allemagne
Zalando - 0.625% - 08/2027	Retail	2.92%	Allemagne
JP Morgan Chase (Sanofi) - 0% - 01/2025	Health Care	2.90%	France
Safran - 0.875% - 05/2027	Industrial Goods and Services	2.70%	France
Iberdrola - 0.8% - 12/2027	Utilities	2.65%	Espagne
Deutsche Post - 0.05% - 06/2025	Industrial Goods and Services	2.57%	Allemagne
Eni - 2.95% - 09/2030	Energy	2.50%	Italie
Elis - 2.25% - 09/2029	Industrial Goods and Services	2.38%	France
International Consolidated Airlines - 1.125%	Travel and Leisure	2.34%	Espagne
STMicroelectronics - 0.00% - 08/2027	Technology	2.29%	Pays-Bas
Cellnex Telecom - 0.5% - 07/2028	Telecommunications	2.25%	Espagne
Artemis (Puma) - 0% - 06/2025	Consumer Products and Services	2.23%	Allemagne
Spie - 2% - 01/2028	Construction and Materials	2.20%	France
Total weight of top 15 lines vs fund's net assets as at 29/12/23		39.7%	

What was the proportion of sustainability-related investments?

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



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

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

The category #1 Aligned with E/S characteristics covers:
- The sub-category #1A Sustainable covers environmentally and socially sustainable investments.
- The sub-category #1B Other E/S characteristics covers investments aligned with the environmental or social characteristics that do not qualify as sustainable investments.

In which economic sectors were the investments made?

	% AUM
Industrials	12.4%
Utilities	7.6%
Consumer Discretionary	6.4%
Technology	3.9%
Consumer Staples	3.5%
Health Care	2.9%
Real Estate	2.5%
Telecommunications	2.0%
Financials	1.3%
Energy	0.4%
Total Sustainable Investments	43.1%

of the fund's net assets as at 29/12/23

Industry Classification Benchmark (ICB) classification - 11 Industries Sectors

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035.
For **nuclear energy**, the criteria include comprehensive safety and waste management rules;

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

- ***Did the financial product invest in fossil gas and/or nuclear energy related activities complying with the EU Taxonomy[1] ?***

☐ Yes

☐ In fossil gas ☐ In nuclear energy

☒ No

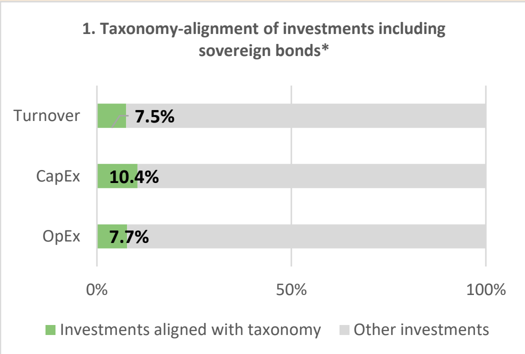
Data relating to companies' involvement in fossil gas and/or nuclear energy activities, in line with the taxonomy, are determined by taking into account only data published by companies.
Data on companies' involvement in taxonomy-compliant fossil gas and/or nuclear energy activities are not yet available.

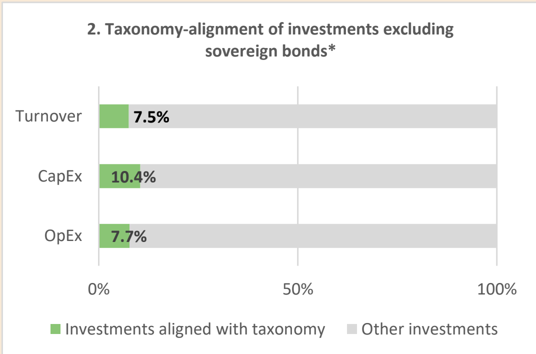
For information, stocks identified as being involved in fossil and/or nuclear energy represent 12.87% of the portfolio, i.e. 8.49% of the portfolio for stocks deriving part of their sales from nuclear energy, and 7.03% for stocks involved in fossil energy.

[1] Fossil gas and/or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and do not significantly harm any EU Taxonomy objective. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflects the "greenness" of investee companies today.
- **capital expenditure** (CapEx) shows the green investments made by investee companies, relevant for a transition to a green economy.
- **operational expenditure** (OpEx) reflects the green operational activities of investee companies.

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





**For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.*
Turnover is estimated by MSCI ESG Research according to the methodology described below.
CapEx and Opex data take into account only data published by companies.

European Taxonomy alignment
European Taxonomy alignment is estimated by MSCI ESG Research, from the maximum percentage of a company's sales derived from products and services adressing environmental objectives, on the basis of the MSCI Sustainable Impact Metrics framework.
The percentage of sales generated by products and services that meet environmental objectives is reduced to 0 for companies which do not meet the "Do No Significant Harm" and "Minimum Social Safeguards" criteria of the European taxonomy.
The same applies companies whose revenues derive 5% or more from the supply, distribution or retailing of tobacco products, and companies involved in controversial weapons.

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

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

What was the share of investments made in transitional and enabling activities?

The fund does not have a minimum proportion of investment in transitional or enabling activities.

How did the percentage of investments that were aligned with the EU Taxonomy compare with previous reference periods?

	29/12/23	30/12/22
Alignment on European Taxonomy	% AUM	% AUM
M Convertibles SRI	7.5%	5.3%

The percentage indicated above represents the portfolio's contribution to the alignment with the European taxonomy (based on turnover) of all sustainable investments whether they have an environmental or social objective.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under Regulation (EU) 2020/852.

What was the share of sustainable investments with an environmental objective not aligned with the EU Taxonomy?

As of the date of this report, 14.8% of net assets were invested in sustainable investments with an environmental objective, whereas 7.3% were not aligned with the EU Taxonomy.

What was the share of socially sustainable investments?

As of the date of this report, 28.3% of net assets were invested in sustainable investments with a social objective.

What investments were included under “other”, what was their purpose and were there any minimum environmental or social safeguards?

Cash, cash equivalents and any funds or hedging derivatives represent 4.1% of the fund's net assets, and do not offer minimum environmental or social safeguards.

What actions have been taken to meet the environmental and/or social characteristics during the reference period?

The management company has applied the policy described in the pre-contractual information document for the financial products referred to in Article 8, paragraphs 1, 2 and 2a, of Regulation (EU) 2019/2088 and Article 6, first paragraph, of Regulation (EU) 2020/852.

Montpensier Finance's shareholder engagement policy consists of a voting policy and an engagement policy.

Exercising voting rights is an important element of the dialogue with issuers. It encourages the best governance practices and promotes professional ethic.
Montpensier Finance considers that the exercise of voting rights is an integral part of the investment management process and should be carried out in the best interest of its clients. Montpensier Finance voting rights policy aims to promote the long-term valuation of its funds investments.

To exercise the voting rights attached to the securities held by the fund, the fund managers refer to the principles regarding corporate governance recommendations published by ISS Governance, in its Sustainability Policy. ISS covers all companies held in the portfolios of the funds managed by Montpensier Finance.
Compliance regulations require portfolio managers to carry out their functions independently, particularly with regard to issuers, and in the sole interest of unit/shareholders. Portfolio managers pay particularly attention to resolutions which may prejudice the interests of unit/shareholders.
The full voting policy as well as the latest voting rights exercise report are available on our website.

Montpensier Finance supplements its voting policy with an engagement policy.
The fund management teams are encouraged to raise any concern with companies during meetings, especially when the ESG issues seem insufficiently accounted for, in order to encourage these companies to improve their practices on environmental, social, and
corporate governance issues, all of which are factors of sustainable growth.
The fund managers, assisted by the SRI analysts, will establish a positive and constructive mid-to-longterm rapport with companies held in the portfolio.
This rapport is multi-faceted:
✓ Company contacts;
✓ Communicating the fund managers' voting intentions to the company prior to the General Meeting.

In addition to direct engagement initiatives we usually conduct directly with Small and Medium Companies, Montpensier Finance also participates in pooled engagement actions implemented by ISS as part of its ISS ESG program especially for larger companies.

This dialogue is conducted with the aim of:
✓ Encouraging companies to set up an ESG commitment;
✓ Encouraging companies to communicate about their ESG practices.

The full engagement policy as well as the latest engagement report are available on our website.

How did this financial product perform compared to the reference benchmark?

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.

The fund does not use a sustainable benchmark. Its sustainability performance is compared to its benchmark : Refinitiv Europe Convertible Bond

- ***How does the reference benchmark differ from a broad market index?***

N/A

- ***How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the environmental or social characteristics promoted?***

N/A

- ***How did this financial product perform compared with the reference benchmark?***

N/A

- ***How did this financial product perform compared with the broad market index?***

See above for the performance indicators of the fund and its benchmark against the sustainability indicators.