

Ellipsis AM to integrate country risk using FATF lists

Ellipsis AM is enhancing its ESG methodology by specifically taking into account country risk. Our portfolios are not exposed to risk countries on the FATF lists through the country risk of economic issuers, given our investment universes. However, they may be marginally exposed through the **country risk of legal issuers. We pledge to systematically analyse this governance risk**, since the use of issue vehicles in risk countries may be motivated by reasons that we consider non legitimate (aggressive or opaque tax optimisation schemes) or legitimate (low legal costs, asset safeguarding).

- **Ellipsis AM does not invest in any FATF black list countries for all of the portfolios it manages.**
- **for the discretionary management convertibles funds - Ellipsis European Convertible Fund, Ellipsis Convertible Risk Adjusted Fund, Ellipsis Global Convertible Fund** - Ellipsis AM pledges to systematically analyse issuers (economic and legal) on the FATF grey list and the European list of non-cooperative territories and countries. The conclusion of this analysis is reflected in the ESG rating established by the management team.
- **for credit funds - Ellipsis High Yield Fund et Ellipsis Short Term Credit Fund** - Ellipsis AM pledges to systematically analyse issuers (economic and legal) on the FATF grey list and the European list of non-cooperative territories and countries. The conclusion of this analysis may lead to exclusion.



The Financial Action Task Force (FATF) is an inter-governmental body that sets the international standards aimed at fighting against illegal financial activities and their prejudices. The FATF has identified certain countries as representing a specific risk in terms of money laundering and the financing of terrorism. These are high risk jurisdictions defined as “black list”, or with strategic deficiencies in terms of fighting against money laundering and the financing of terrorism defined as “grey list”. The EU has also identified countries and territories considered as non-cooperative in terms of exchange of information, thereby facilitating financial crime. The lists of countries mentioned below today could change over time.

► **Black list/high-risk jurisdictions:** : Democratic People’s Republic of Korea and Iran.

<https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/call-for-action-february-2021.html>

► **Grey list/jurisdictions under increased surveillance:** Albania, Barbados, Botswana, Burkina Faso, Cambodia, Cayman Islands, Ghana, Jamaica, Mauritius, Morocco, Myanmar, Nicaragua, Pakistan, Panama, Senegal, Syria, Uganda, Yemen, Zimbabwe.

<https://www.tresor.economie.gouv.fr/Articles/2021/03/10/pleniere-du-gafi-retour-sur-la-pleniere-de-fevrier-2021>

<http://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-february-2021.html>

► **European list of non-cooperative jurisdictions:** US Samoa, Anguilla, Dominican Republic, Fiji, Guam, Palau, Panama, Samoa, Trinity-&-Tobago, US Virgin Islands, Vanuatu, Seychelles.

<https://www.consilium.europa.eu/fr/policies/eu-list-of-non-cooperative-jurisdictions/>

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Additional information for Switzerland: Additional information for Switzerland: the state of the origin of the fund is France. In Switzerland, the representative is ACOLIN Fund Services SA, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the paying agent is Banque Cantonale de Genève, 17 quai de l’île, CH-1204 Genève. The prospectus, the Key Investor Information Documents, the fund regulation or the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. This is an advertising document. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

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PRESS RELEASE

