

## PEER GROUP COMPOSITION METHODOLOGY

### PEER GROUP BASED ON UNIVERSES OF FUNDS WITH SIMILAR INVESTMENT POLICIES AND RISK/RETURN PROFILES AND EXCLUSION CRITERIA

**The peer group composition methodology indicates the selection method for each of the asset classes and funds comparable to the funds managed by Ellipsis AM.** It is based on objective criteria and according to a methodology that is stable over time. This makes it possible to compare rankings throughout the life of the funds. Ellipsis AM has selected the Refinitiv Lipper database for its peer groups.

*To find out more about Refinitiv Lipper data and classifications:*  
<https://www.refinitiv.com/en/products/lipper-fund-research/>

For each peer group, the selection consists of refining the classifications defined by Refinitiv Lipper in order to obtain a scope of funds comparable to Ellipsis AM funds, according to the criteria indicated below by asset class.

The universe of comparable funds is made up of funds active on the calculation date. A list of quantitative and qualitative filters has been put in place to :

- exclude funds whose management style is too far removed from the classification,
- exclude funds whose risk/return profile is too far removed from that of the fund in question, using the SRI/SRII indicator from the DIC/KID (with a tolerance margin of +1 and -1).

A peer group is formed if there are more than 30 funds meeting the criteria set out below. Peer group components may change from one year to the next as funds are created or liquidated.

Ellipsis AM may also use Bloomberg data to check the completeness of the peer group perimeter (and thus reintegrate any omissions by Refinitiv Lipper).

The components of the fund's peer groups are reviewed annually internally, often at the Product Governance Committee meeting, to verify any liquidation of certain member funds.

Ranking within the peer groups is carried out quarterly, on the basis of the I units of Ellipsis AM funds (intended more specifically for institutional investors) compared with the units of the funds making up the peer group with the closest conditions (subscribers concerned, minimum initial subscription amount, management fees, launch date).

**This methodology is applicable from 1 July 2023.**

For any request concerning the complete list of funds in each peer group or this methodology, please contact [client\\_service@ellipsis-am.com](mailto:client_service@ellipsis-am.com).

## EUROPE CONVERTIBLE BONDS

Fund(s) concerned: *Ellipsis European Convertible Fund*

- Fund belonging to the Refinitiv Lipper "BOND CONVERTIBLES EUROPE" classification
- Denominated in EUR
- Investment universe limited to Europe or the Eurozone
- Exclusion of funds of funds, feeder funds and FCPEs (employee savings plans)
- Exclusion of funds whose management orientation is too significantly different (e.g. a fund composed mainly of synthetic bonds) and whose SRI is too different from that of the fund(s) managed by Ellipsis AM.

NB: Bloomberg peer group based on screening using the Fund Strategy = Convertible criterion.

## GLOBAL CONVERTIBLE BONDS

Fund(s) concerned: *Ellipsis Global Convertible Fund and Ellipsis Disruption Convertible Fund*

- Funds belonging to the Refinitiv Lipper "BOND CONVERTIBLES GLOBAL" classification
- Denominated in EUR
- Exclusion of funds of funds, feeder funds and FCPEs (employee savings plans)
- Exclusion of funds whose management orientation is too far removed (e.g. funds specialising in a restricted geographical area, hybrid and contingent bond funds, significant exposure to currency risk, etc.) and whose SRI is too far removed from that of the fund(s) managed by Ellipsis AM.

NB: Bloomberg peer group based on screening using the Fund Strategy = Convertible criterion.

## EUROPEAN HIGH YIELD

Fund(s) concerned: *Ellipsis High Yield Fund*

- Fund belonging to the Refinitiv Lipper "BOND EUR HIGH YIELD" classification
- Denominated in EUR
- Investment universe limited to Europe, the Eurozone or the World
- Exclusion of funds of funds, feeder funds and FCPEs (employee savings plans)
- Exclusion of funds whose management orientation is too far removed (e.g. funds with more than 10% exposure to the financial sector) and whose SRI is too far removed from that of the fund(s) managed by Ellipsis AM.

NB: Bloomberg peer group based on screening using the Fund Strategy = Aggregate criterion.

## PEER GROUP BASED ON FUNDS WITH SIMILAR INVESTMENT NEEDS AND INCLUSION CRITERIA

This peer group is constructed differently from other asset classes, since the aim is not to compare the performance of a fund with others that are constructed in a similar way, but to compare the fund with funds that meet a similar investor need, but are constructed differently, and behave differently depending on market situations.

## DATED FUND

Fund(s) concerned: *Ellipsis Credit Road 2028*

- Fund belonging to the Refinitiv Lipper "Target Maturity Bond EUR 2020+" classification
- Daily liquidity funds launched no later than November 2022.
- Denominated in EUR

## ALTERNATIVE UCITS

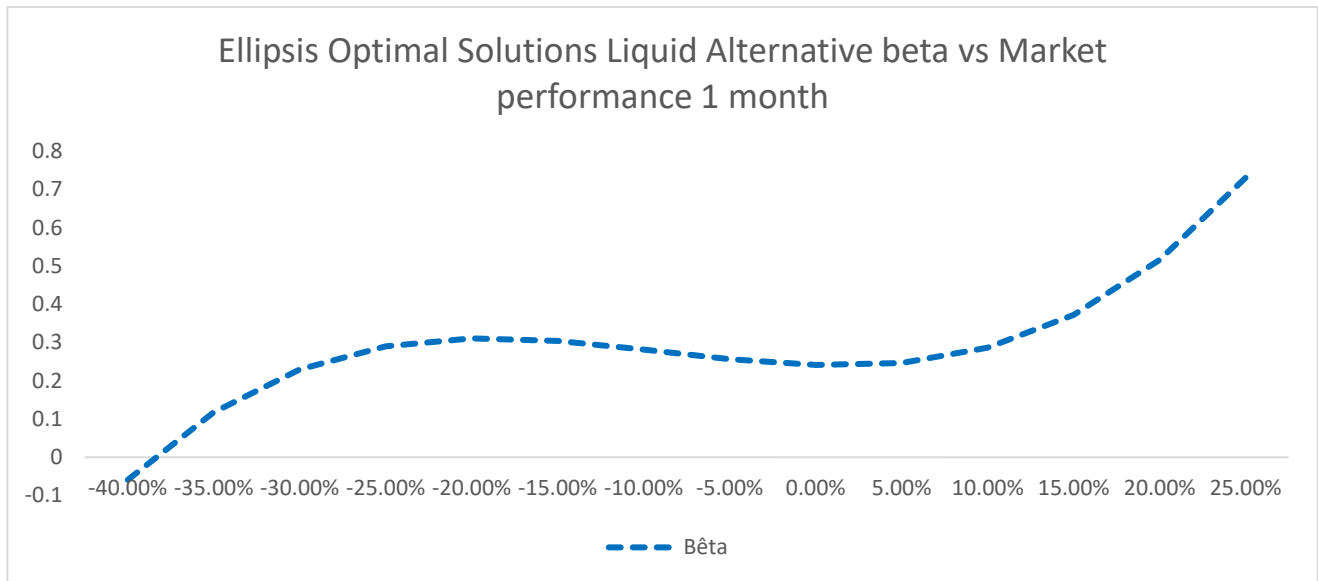
Fund(s) concerned: *Ellipsis Optimal Solutions Liquid Alternative*

Creation of a peer group with a comparable profile in order to highlight the fund's unique but complementary profile with a view to alternative allocation.

- Definition of the specific investment requirement: the fund profile shows increasingly strong depreciation on intense market downturns, but activates more slowly on a moderate downturn. Conversely, its exposure 'accelerates' when the market rises sharply, but may underperform when the market is very calm and stable. This clearly demonstrates the logical complementarity and synergies between the linear/non-optional profiles of the funds in the universe, with a view to allocating portfolios between the different strategies available.
- Selection of funds (source: Bloomberg, Quantalys, Morningstar, Fund360, etc.) with a comparable profile and equivalent SRI (+ or -1 maximum), denominated in euros or euro hedged and invested mainly in OECD countries.

The universe was defined by comparing performance and risk metrics over 5 years and other time periods in order to filter out the most similar profiles. In particular, we selected the following 4 metrics: sensitivity to the equity market, maximum decline of the fund, volatility and target return.

- The components of the peer group are reviewed annually to check for any liquidation of certain member funds or the launch of new comparable funds.



Source : Bloomberg, 10/09/2023.

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