ASSET MANAGEMENT

PRESS RELEASE
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LBPAM ISR Obli February 2029:

A new bond maturity fund supported by a more opportune market cycle

La Banque Postale Asset Management (LBP AM) and Louvre Banque Privée announce the launch of *LBPAM ISR Obli February 2029*.

This new bond maturity fund invested mainly in High Yield (or *speculative) securities, is designed and managed by LBP AM and distributed by Louvre Banque Privée.**

LBPAM ISR Obli February 2029 will be offered to Louvre Banque Privée clients in the life insurance and capitalisation contracts of partner insurers. The marketing period is to run until 15 July 2023. *LBPAM ISR Obli February 2029* is one of the few bond investment solutions with a maturity date certified by the SRI Label. The fund meets the reporting requirements of Article 8 of the SFDR and is distinguished by a measured risk profile (SRI 2), as well as an unprecedented level of sustainability for this asset class (25% minimum).

A *momentum* deemed favourable

The launch of this offer comes at a time deemed favourable for investors given the context of the bond markets. The continued rise in interest rates over the last few quarters has meant that spreads** have widened, opening the way to attractive entry points henceforth.

"The normalisation cycle of interest rates has made the asset class attractive again, after almost fifteen years of remarkably low rates. In the interest of investors, we wanted to deploy this solution at the right time, i.e. not too early, so that the volatility observed at the start of the interest rate recovery could fade away," says Vincent Cornet, Head of Investment Management at LBP AM.

"This new offer enables our clients to diversify their investments with an asset that combines the search for security with a strong demand for sustainability in a favourable tax environment. This cooperation with LBP AM is part of a meaningful approach where positive and socially responsible values are shared," adds Aurélie Tristant, Member of the Management Board at Louvre Banque Privée.

LBP AM's characteristic SRI approach

More specifically, the fund is invested in bonds and other international (private and public) debt securities, mainly European and of mixed Investment Grade and High Yield* category. Its strategy is based on fundamental and discretionary conviction management that favours security selectivity. The result is a relatively concentrated portfolio of around 60 positions today. The fund's bond-picking** gives pride of place to European leaders whose credit quality is generally located in the highest rated High Yield segment.

The fund is also characterised by a longer maturity, close to 5.5 years, than most dated bond funds in the market, helping to optimise the long-term sources of return. The aim is to seek return opportunities in accordance with the recommended investment conditions***, while ensuring the implementation of LBP AM's characteristic SRI approach.

This approach is based on extra-financial analysis criteria applied to identify issuers whose sustainable development practices are considered among the best (according to LBP AM's assessment). LBP AM uses its proprietary assessment method developed by its teams ("GREaT"), which focuses on responsible governance, sustainable resource management, the energy transition and territorial development.

**High Yield: or speculative bonds. The High Yield category comprises securities with a credit rating of "C" to "BB+" according to the main rating agencies. Investment-Grade: bonds considered to be of higher quality, with a credit rating of 'BBB-' to 'AAA' according to the main rating agencies.

**Spread: a measure of the difference between an interest rate and a reference rate, usually expressed in basis points. Bond-Picking: selectivity of bond securities.

***Recommended investment horizon: from subscription during the "Marketing Period" until maturity on 28 February 2029 (the "Maturity Date"). Without capital guarantee.

Warning:

Past performance is no guarantee of future results. It is not constant over time. The performance of the UCI is subject to market fluctuations. UCIs may entail a risk of capital loss.

This document has been produced for information purposes only and does not constitute an offer or solicitation, nor a personalised recommendation to subscribe to the UCIs of LBP AM. The investor's attention is drawn to the fact that any investment has advantages and disadvantages that should be assessed according to the personalised and studied profile of each investor and that, prior to any investment, and that he or she should carefully read the legal documentation of the UCI so as to avoid an investment in a UCI that does not correspond to his or her profile.

Please refer to the prospectus and the key information document of LBPAM ISR Obli February 2029 before making any final investment decision.

Investment in this fund may involve risks, such as:

Interest rate risk: This is the risk that interest rate instruments will fall as a result of changes in interest rates. It is measured in terms of sensitivity. In periods of rising interest rates, the net asset value of the FCP (open-ended collective investment fund) may fall significantly.

Credit risk: in the event of a default or deterioration in the quality of the issuers, for example a downgrading of their rating by the financial rating agencies, the value of the bonds in which the FCP is invested will fall; this fall could lead to a fall in the net asset value.

Risk linked to holding securities with a low or non-existent rating: the FCP reserves the right to hold securities with a low or non-existent rating.

The use of "high yield securities" (securities with a higher risk of default and higher volatility) may therefore result in a significant decrease in the net asset value.

Liquidity risk: as the FCP invests mainly in high yield securities, trading volumes may be reduced from time to time under certain market conditions. This may widen the trading spreads.

Risk linked to the commitment to forward financial instruments: the strategies implemented via forward financial instruments are based on the expectations of the management team. If the markets do not evolve in line with the strategies implemented, the net asset value of the FCP could fall.

Discretionary management risk: the discretionary management style applied to the FCP is based on the selection of debt and bond securities. There is a risk that the FCP may not be invested in the best performing securities at all times. The performance of the FCP may therefore be lower than the management objective. The performance of the net asset value of the FCP may also be negative.

Risk of loss of capital: the FCP does not benefit from any guarantee or protection, and the capital initially invested may not be fully returned.

Risk of the ESG rating being downgraded: a portfolio security may have to be sold because the issuer does not meet the management company's requirements in terms of Socially Responsible Investment. In the event of less favourable market conditions, the security or securities selected as a substitute could have a lower return and therefore a negative impact on the overall return of the portfolio.

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About La Banque Postale Asset Management (www.labanquepostale-am.fr)

La Banque Postale Asset Management is 75% owned by La Banque Postale and 25% owned by Aegon Asset Management. A leader in SRI on multi-specialist conviction management, LBP AM has four investment divisions: the Equities division through its subsidiary Tocqueville Finance, the Multi-asset & absolute performance division, the Quantitative solutions division and the Real & private equities division. To its institutional investor, insurer, mutual fund, large company and external distributor clients it offers open-end funds, dedicated funds and mandates. As at 31 December 2022, LBP AM and its subsidiary Tocqueville Finance had assets under management and distribution of €56 billion.

About Louvre Banque Privée (www.louvrebanqueprivée.fr)

Louvre Banque Privée, a subsidiary of La Banque Postale, offers a comprehensive range of products and services for a clientele consisting of families, company directors and executives. Unique in its model of private banking embedded in the regions, Louvre Banque Privée is present in 90 cities in Metropolitan France and French overseas departments and territories. Louvre Banque Privée offers its clients its various lines of expertise: asset engineering, wealth management, 100% ESG discretionary management, asset financing solutions, and direct real estate investment through its subsidiary Louvre Banque Privée Immobilier Conseil.

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