



Ofi invest
Asset Management



JANUARY 2025

OFI INVEST ESG ACTIONS JAPON

Tapping into the upside potential on Japanese stocks and the country's social and economic megatrends via a socially responsible approach

This promotional document is intended for professional investors and eligible counterparties within the meaning of the MiFID 2 Directive n°2014/65/EU and 2016/1034 on markets in financial instruments. Its content is not intended for retail clients and may not be used as presentation material addressed to such clients. Its content provides no assurance whatsoever that the products or services presented are compatible with the investor's circumstances or objectives and does not constitute a recommendation, advice or offer to buy the financial products described here in.

This is an advertising communication. Please refer to the UCITS prospectus and key investor information document before making any final investment decision.

OFI-INVEST-AM.COM

▶ Inception **2005**

▶ AuM
As of 30/12/2024 **767,6 M€**

▶ Benchmark **Topix Net Total Return**

▶ Exposure **Japanese equities
Large cap. Bias**

▶ Currency **Euro**
(Hedged and unhedged currency share classes)

▶ Lead Portfolio Managers⁽¹⁾



34 years of exp.
**Jean-Francois
CHAMBON**



15 years of exp.
**Julien
ROLLAND**

▶ Risk return profile⁽²⁾



▶ Responsible approach



⁽³⁾

OFI INVEST ESG ACTIONS JAPON

PROPOSAL

For investors looking for an exposure to **Japanese market performance, with a cautious approach and a regular alpha**

APPROACH

A pragmatic approach to investment known as **GARP** (Growth at a Reasonable Price)

Cautious approach, with low sectoral bias A **Tracking-error varying historically between 2 and 3**

PROCESS

- **Top-down:** Macroeconomic and sectoral analysis to identify the highest upside potential
- **Bottom-up:** company valuation is at the heart of our added value. Selection of companies with qualitative and quantitative criteria

(1) Team members are subject to change over time;

(2) The synthetic risk indicator assesses the product's risk level in relation to other products. It is an indication of the likelihood that this product will incur losses in the event of market movements or if we are unable to pay out. The risk indicator is based on the assumption that you will hold the product for 5 years.

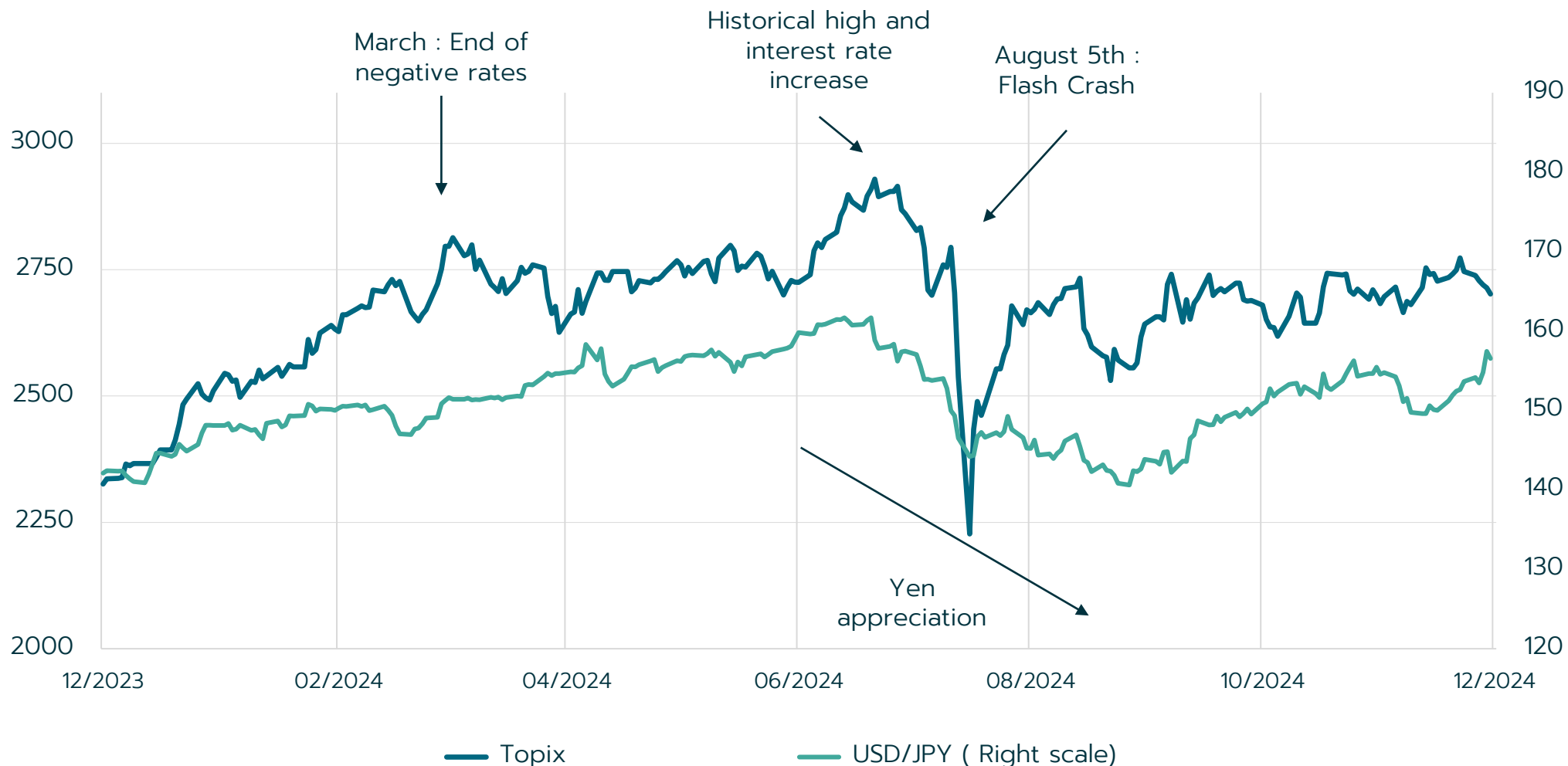
(3) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector;



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2024 JAPANESE MARKET AND PORTFOLIO REVIEW

2024 JAPANESE MARKET REVIEW

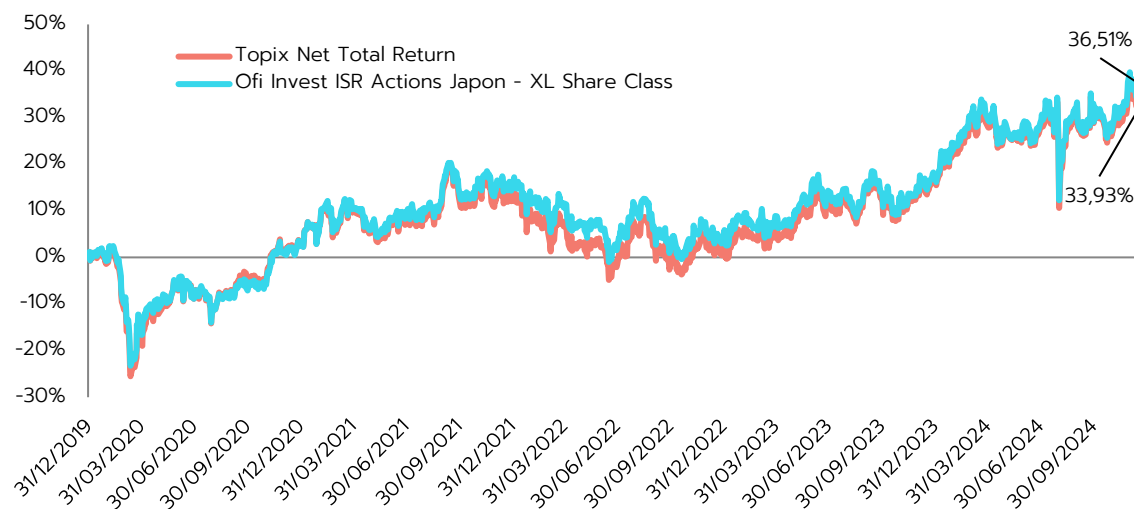


PERFORMANCE

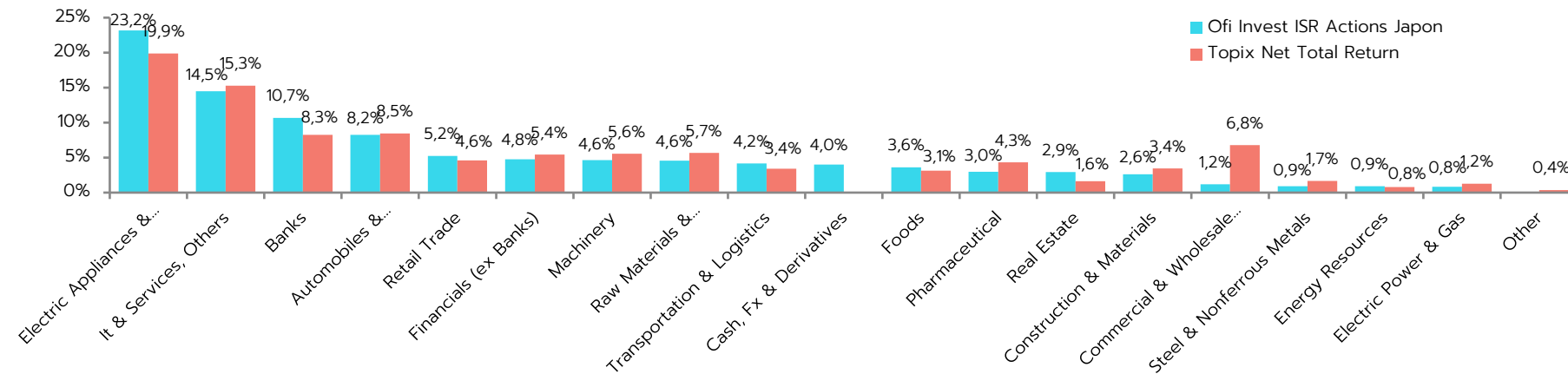
NET PERFORMANCES (XL SHARE CLASS)

	1M	Ytd	1Y	3Y	5Y	8Y	10Y
Fund	1,4%	15,7%	15,7%	19,4%	36,5%	73,3%	128,4%
Benchmark	1,1%	14,5%	14,5%	19,5%	33,9%	62,7%	115,2%

NET PERFORMANCES OVER 5 YEARS

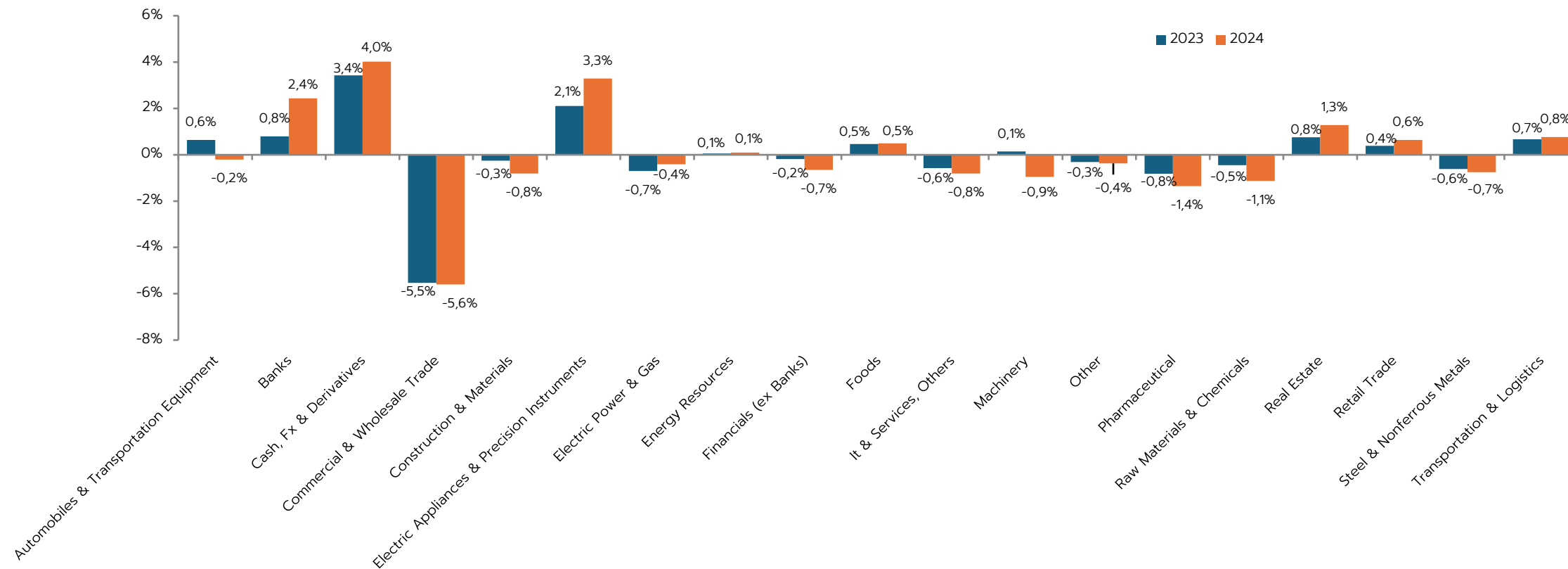


TOPIX SECTORS ALLOCATION IN % (ABSOLUTE)



ALLOCATION

TOPIX SECTORS - PORTFOLIO RELATIVE WEIGHTS IN %



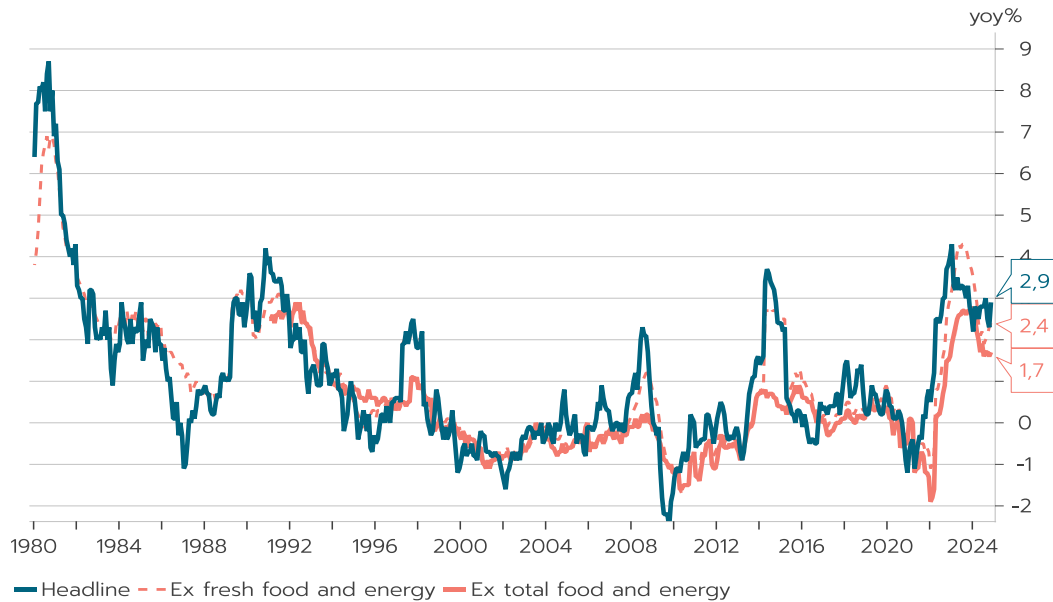


2

MACROECONOMIC SUPPORT AND OUTLOOK 2025

INFLATION AND UNPRECEDENTED SALARY INCREASES

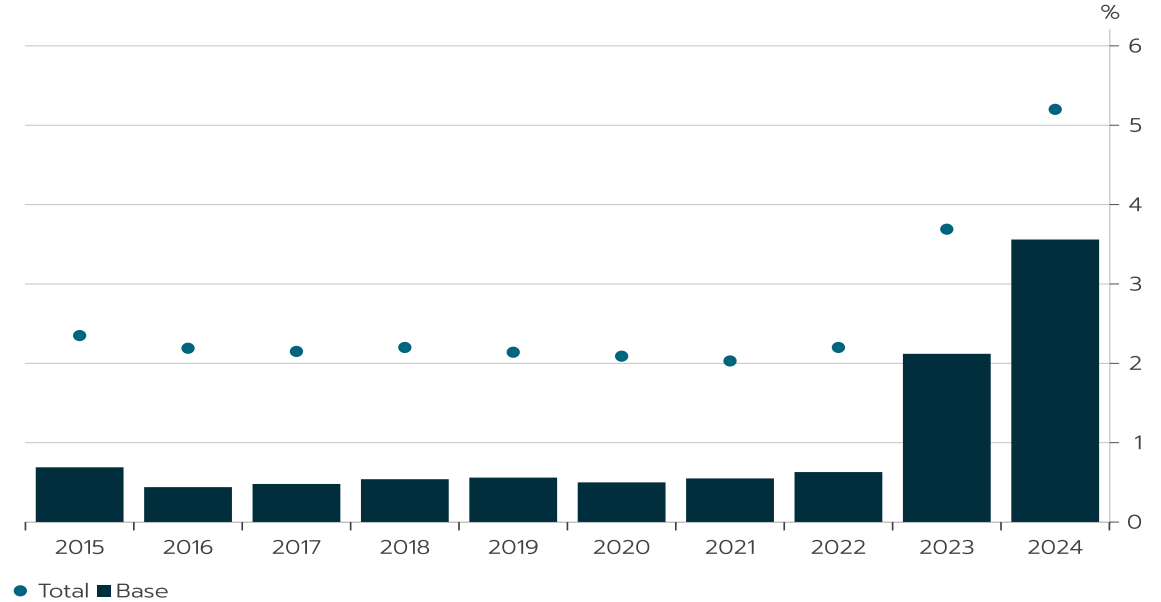
HEADLINE AND CORE INFLATION



In 2023, Japan experienced **the highest inflation in the past 41 years**.

Inflation is **expected to moderate**, though underlying price pressures may persist.

SPRING WAGE NEGOTIATION (RENGO)



Wages rose by 5.1% in 2024, the highest in 33 years.

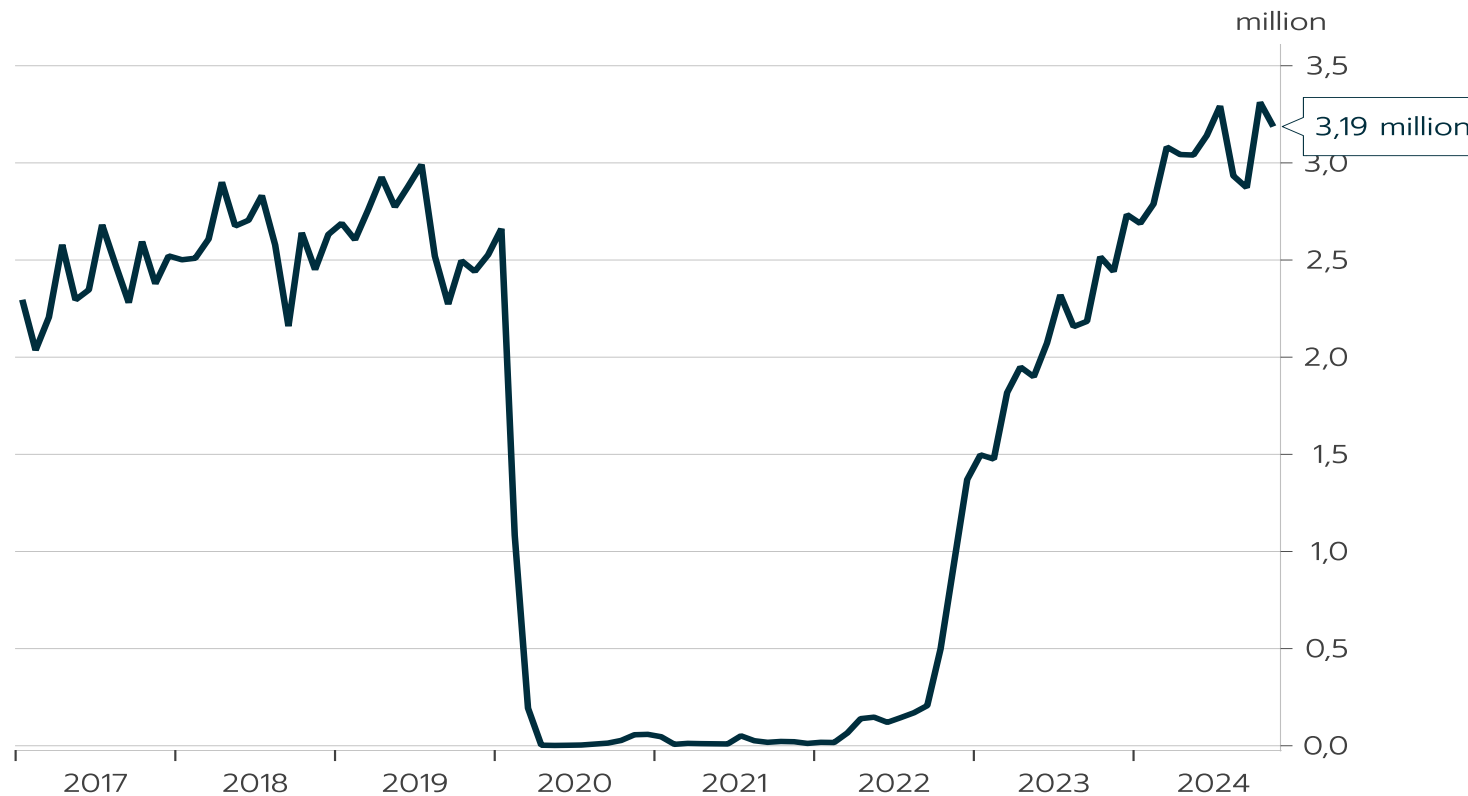
Unions are pushing for a wage increase of **5%** or more next year, roughly the same increase as this year.

A virtuous cycle where higher wages support sustainable inflation is emerging.

STRONG RECOVERY IN INTERNATIONAL TOURISM SINCE THE COUNTRY REOPENED IN OCTOBER 2022

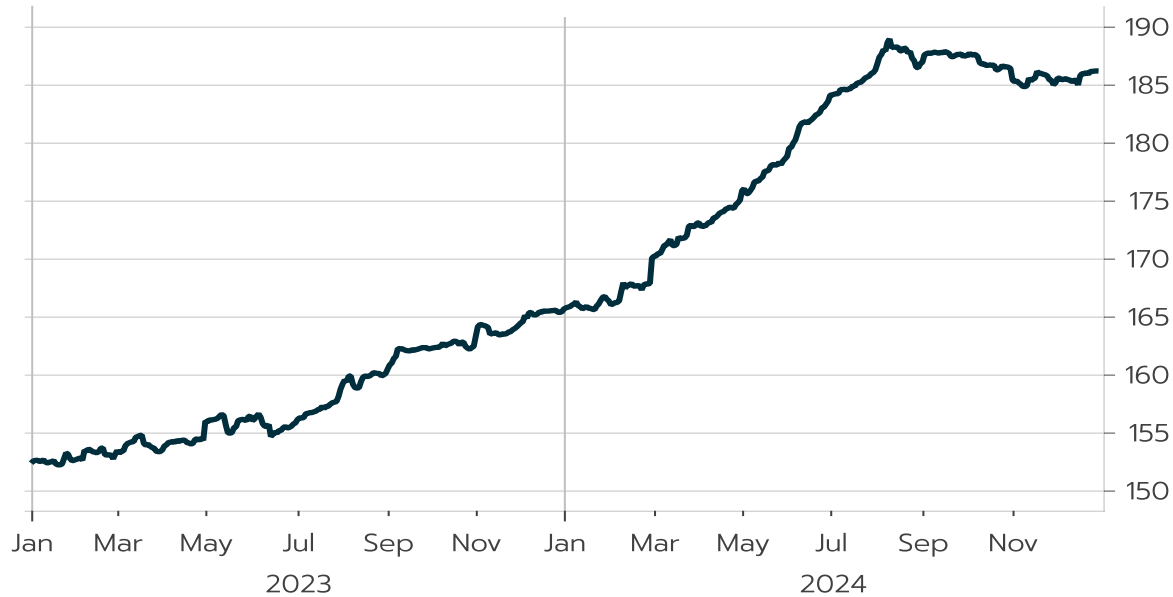
The government has set an ambitious tourism target for 2030, aiming to attract 60 million foreign visitors annually.

INTERNATIONAL TOURIST ARRIVALS ARE GROWING

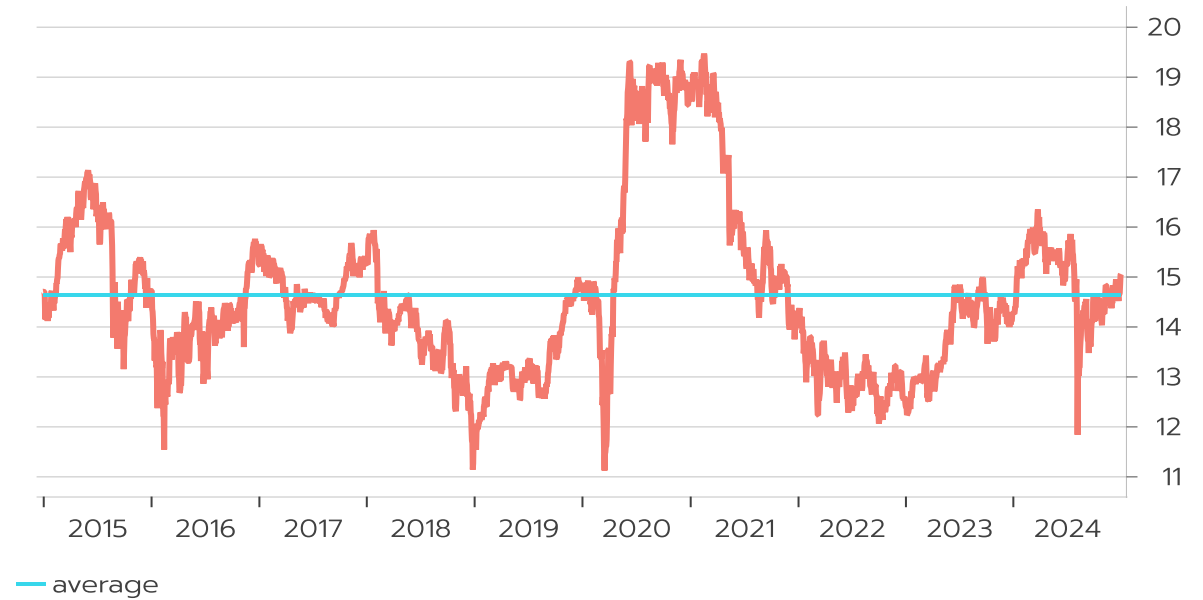


TOPIX - EPS VS PE 12NTM - 10 YEARS

TOPIX – EPS 12 NTM – 2 YEARS



TOPIX – PE 12 NTM – 10 YEARS



Market growth has largely been supported by earnings growth during the past two years.

Valuation is close to its long-term average, showing no exuberance.

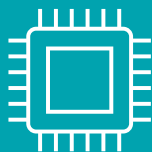
OUTLOOK 2025: POSITIONING FOR POTENTIAL GROWTH...

... What could be the main drivers of Japan's economy in 2025?



FINANCIAL

- Increase of interest rate
- Transfer Holding



SEMICONDUCTORS

- Supported by automation / robotisation
- Supply chain improvements



CONSUMER

- Rising disposal income and purchasing power
- Acceleration of tourist growth



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APPENDICES

DEMONSTRATED EXPERTISE IN JAPANESE EQUITY MANAGEMENT



Jean-François CHAMBON, SFAF⁽¹⁾

Equity Fund Manager
Japanese stocks
Exp. 34 years



Julien ROLLAND, FRM⁽²⁾

Equity Fund Manager
Japanese stocks
Exp. 15 years

Extensive Experience in Fund Management

- > 20 years managing Japanese equity portfolios.
- > Balances rigorous financial analysis with strong focus on risk management.
- > A €783 million strategy across three funds.

Strong Knowledge of the Japanese Market

- > In-depth understanding of Japan's economy, industries, and business environment.
- > Regular interaction with local companies and stakeholders.



Comprehensive insight into Japan's regional and urban markets



Awareness of key sectors and emerging themes



Conviction-Driven Investment Approach

Source: Ofi Invest Asset Management as of 31/12/2024; Photo credits: www.unsplash.com

Teams are subject to change over time.

(1) French Society of Financial Analysts, diploma issued by SFAF: <https://www.sfaf.com/>

(2) Financial Risk Manager, diploma issued by Global Association of Risk Professionals: <https://www.garp.org/>

THE FUND'S INVESTMENT PHILOSOPHY

- > A pragmatic approach to investment known as GARP (Growth at a Reasonable Price)
- > Max. 5% invested in small caps in order to keep liquidity at a satisfactory level⁽¹⁾
- > The portfolio can be invested up to 100% in Japanese stocks⁽²⁾
- > No securities lending
- > Both hedged and unhedged currency share classes available



(1) Market capitalisations of all sizes

(2) Between 60% and 100% of the fund's net assets will be invested in Japan's listed equity market with a maximum of 10% invested in other countries, including emerging countries. Between 0% and 40% of the portfolio's remaining net assets will be invested in debt securities and money-market instruments. Up to 10% of the portfolio's net assets will be invested in UCI units or shares.

OUR DNA

A **cautious approach**, for investors looking for Japanese market performances with **regular alpha**. We monitor our portfolio with a **tracking-error⁽¹⁾ between 2 and 3**. We offer an active management of conviction **without style bias**, **with a long-term view**.



PORTFOLIO CONSTRUCTION



TOP-DOWN APPROACH

- The construction is based on our fundamental top-down approach. Macroeconomic and sectoral analysis to identify the highest upside potential. Global, economic and political risks are therefore taken into account in the construction.



STOCK PICKING EXPERTISE

- We attach great importance to the ability of our managers to select companies with qualitative and quantitative criteria. Company valuation is at the heart of our added value.



SECTORAL FUNDAMENTAL TRENDS

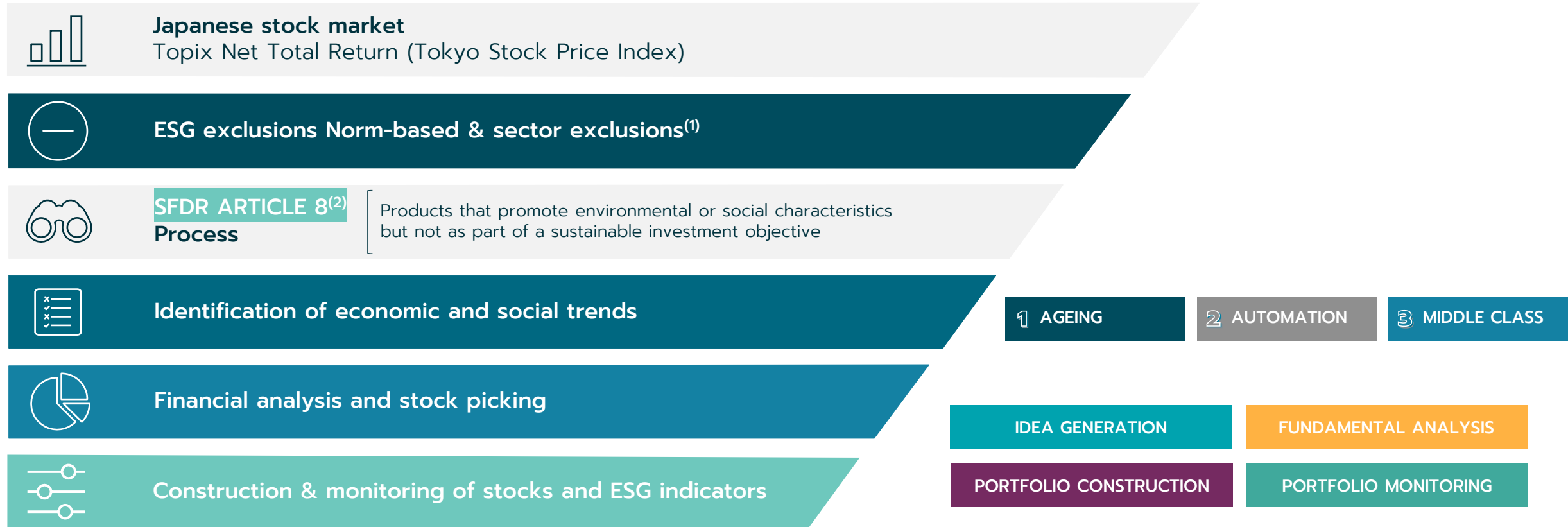
- We link our macroeconomic analysis and our analysis of broad sectoral fundamental trends to our fundamental views. We monitor our sector bias and allocations given our long-term fundamental views on the industry in question.



ACCURATE PORTFOLIO POSITIONING

- The size of the positions reflects the level of conviction and risk in relation to the overall portfolio. Liquidity is also a central consideration.

INVESTMENT PROCESS



(1) To find out more about norms- and sector-based policies, please go to: <https://www.ofi-invest-am.com/en/sustainable-finance>

(2) Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector

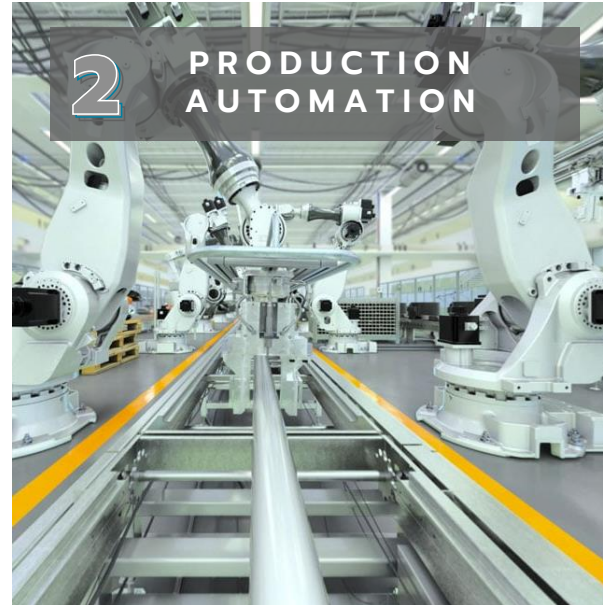
For more information on the methodology, please refer to the fund documents, available at : <https://www.ofi-invest-am.com/en/fund/ofi-invest-esg-actions-japon-part-xl/FR0010247072>

ECONOMIC AND SOCIAL MEGATRENDS

According to Ofi Invest Asset Management, the strategy focuses on leveraging economic trends to capitalize on the upside potential of Japanese stocks



- Pharmaceuticals & medical devices
- Personal services
- Security
- Robots



- Wage increases
- A need for more goods manufactured to higher quality standards



- Tourism
- Changing consumer behaviours
- New infrastructure

OUR EXCLUSION POLICIES



Exclusion policies do not apply uniformly to all sectors.

For detailed information on the specific criteria and limits for each normative and sectoral exclusion policy, please refer to the website : <https://www.ofi-invest-am.com/en/sustainable-finance>

MAIN CHARACTERISTICS

Fund name	Ofi Invest ESG Actions Japon
Legal form	An Undertaking for Collective Investment in Transferable Securities (UCITS) under French law, created in the form of a Mutual Fund (here in after the "Mutual Fund" or the "Fund").
Portfolio management company	Ofi Invest Asset Management, French company
ISIN codes	XL : FR0010247072 – XXL H : FR0013340841 – XL H : FR001400K3R9 I : FR001400K3S7 – IH : FR001400K3T5 RF : FR001400K3U3 – RF H: FR001400K3V1 A : FR0013392065 – AH : FR0013392073
Managers ⁽²⁾	Jean-François CHAMBON - Julien ROLLAND
Fund launch	05 December 2005
Management objective ⁽³⁾	To capture financial upside potential in the Japanese economy and offer investors a performance linked to Japan's equity market trends over a recommended investment period of 5 years.
Investment universe	All stocks in the benchmark index.
Benchmark ⁽³⁾	Topix Net Total Return (Tokyo Stock Price Index)
SFDR category ⁽⁴⁾	Article 8
Investment horizon	More than 5 years
Subscription fee not retained by the UCITS	2% maximum
Maximum management fees and administrative fees, incl. taxes	XL : 0.5 % – XXL H : 0.3 % – XL H : 0.5% – I : 0.8 % – IH : 0.8 % RF : 0.9 % – RF H: 0.9 % – A : 1.30 % – AH : 1.30 %
Maximum indirect fees	Not significant
Minimum subscription for the first subscription	XL : 10 000 000 € – XXL H : 30 000 000 € – XL H : 10 000 000 € – I : 500 000 € IH : 500 000 € – RF : None – RF H : None – A : None – AH : None
Maximum transaction fees incl. taxes ⁽⁵⁾	Between €2.40 and €36 incl. tax (depending on the country) deducted on each transaction
Outperformance fee	None

RISK PROFILE⁽¹⁾

Less risk

More risk



- (1) The risk indicator assumes that you will hold the product for the recommended holding period. Actual risk may be different if you opt to exit prior to the recommended holding period, and it is possible that you may receive less than your initial investment. The Synthetic Risk Indicator (SRI) measures a product's level of risk compared to other products. It indicates the probability that this product will suffer losses in the event of market shifts or our inability to pay you. As this product provides no protection against market fluctuations, you could lose all or part of your investment.
- (2) The management teams are subject to change.
- (3) Actively managed ; The composition of the Fund may differ materially from the allocation of the reference benchmark.
- (4) REGULATION (EU) 2019/2088 OF THE EUROPEAN PARLIAMENT AND COUNCIL of 27 November 2019 on sustainability-related disclosures in the financial services sector. For more information on sustainable finance, we ask you to go to the website at: <https://www.ofi-invest-am.com/fr/fr/institutionnel-et-entreprise/politiques-et-documents>
- (5) Refer to the fund prospectus for more details. These fees are received by the depositary / custodian.

BIOGRAPHIES



Jean-François CHAMBON

Equity Fund Manager - Japanese stocks

Exp. 34 years

Jean-François has been a Japanese and Asian equity portfolio manager since 2005.

Jean-François joined the firm as a financial analyst covering the automotive and media & telecommunications sectors. He began his career at the UAP group's Hong Kong subsidiary tasked with setting up the entity's asset management tools. Jean-François holds postgraduate diplomas in both Economics and Finance from the Université Paris Dauphine and is also a SFAF-certified financial analyst.



Julien ROLLAND

Equity Fund Manager - Japanese stocks

Exp. 15 years

Julien has been managing Japanese equity funds since 2022.

Before taking on this role, he managed sovereign yields and inflation strategies at Aviva Investors France. He began his career as an investment risk analyst for fixed income products and then worked as a quantitative analyst for four years. Julien is an ENSIMAG graduate and holds a Master's degree in Quantitative Finance from the IAE business school, while also being a certified FRM (Financial Risk Manager).



Pauline Albinet

Product Specialist
Stocks & Convertibles

Exp. 14 years

Before joining Ofi Invest AM, Pauline was an equity manager under mandates, then an OPC equity manager at Covéa Finance where she co-managed SRI funds with social and environmental themes. There, she covered the sectors of utilities and banking. Pauline is a graduate of the European Business School of Bordeaux, INSEEC Group and holds a Master 2 in Banking - Finance from the Panthéon Assas University.

THE EQUITY TEAM



Olivier BADUEL, SFAF⁽¹⁾
Head of European Equities
Exp. 28 years


EUROPE



Françoise LABBÉ, SFAF⁽¹⁾
Exp. 36 years



Éric CHATRON, CFA⁽³⁾, FMR⁽⁴⁾
Exp. 27 years



Frédérique NAKACHE, SFAF⁽¹⁾,
CESGA⁽²⁾
Exp. 34 years




Corinne MARTIN
Exp. 24 years



Olivier BADUEL, SFAF⁽¹⁾
Exp. 28 years



Nicolas MENARD, SFAF⁽¹⁾,
CESGA⁽⁴⁾
Exp. 13 years



Arnaud BAUDUIN, SFAF⁽¹⁾
Exp. 26 years



Anaëlle GUÉNOLÉ, CESGA⁽²⁾
Exp. 11 years

PRODUCT SPECIALIST⁽⁵⁾



Pauline ALBINET
Exp. 14 Years




Frédéric TASSIN, SFAF⁽¹⁾
Head of Global & Thematic Equities
Exp. 29 years


GLOBAL & THEMATIC



Beryl BOUVIER DI NOTA,
SFAF⁽¹⁾, CESGA⁽²⁾
Exp. 33 years




Victoria RICHARD WEILL,
CESGA⁽²⁾
Exp. 15 years



Frédéric TASSIN, SFAF⁽¹⁾
Exp. 29 years



Nils MERDY
Exp. 4 years




Charles HADDAD
Exp. 19 years



Paolo DI GRADO
Exp. 1 an

JAPAN




Jean-François CHAMBON,
SFAF⁽¹⁾
Exp. 34 years

UNITED STATES



Xavier LAURENT, SFAF⁽¹⁾
Exp. 28 years



Julien ROLLAND, FRM⁽⁴⁾
Exp. 15 years



Antoine COLLET, CFA⁽³⁾
Exp. 9 years

- (1) French Society of Financial Analysts, diploma issued by SFAF: <https://www.sfaf.com/>
 (2) Chartered Financial Analyst, diploma issued by the CFA institute: <https://www.cfainstitute.org/>
 (3) Financial Risk Manager, diploma issued by Global Association of Risk Professionals: <https://www.garp.org/>
 (4) Certified Environmental Social and Governance, diploma issued by EFFAS: <https://effas.com/>
 (5) Product specialists report to the development department

MAIN RISKS (1/2)

DISCRETIONARY MANAGEMENT RISK

The discretionary management style is based on predicting changes in different markets. There is a risk that the fund might not be invested in the best-performing stocks and markets at all times.

RISK OF LOSS OF CAPITAL

The fund offers no guarantee or protection for the capital invested. The capital invested initially may therefore not be returned in full or the performance may diverge from that of the benchmark index.

EQUITY MARKET RISK

If the stocks or indices to which the fund's portfolio is exposed fall, the fund's net asset value will fall. The fund's performance may diverge from its longer-term average due to rapid and erratic upward and downward movements in the equity markets. We draw the investor's attention to the fact that the fund will invest in listed small caps. The share prices or valuations of these stocks may fluctuate significantly in either direction and selling them may require time.

INTEREST RATE RISK

In the event of a rise in interest rates, the value of investments made in bonds or debt securities will fall, as will the fund's net asset value. This risk is measured in terms of the sensitivity of the fund's net asset value to a 1% variation in interest rates. In the case of a UCI with a sensitivity level of 2, for example, a 1% rise in interest rates will reduce its net asset value by 2%.

RISK ASSOCIATED WITH INVESTING IN SUBORDINATED BONDS

Debt is described as subordinated when it is repaid only after the other creditors have been repaid first (preferential creditors, unsecured creditors). So subordinated creditors will be repaid after ordinary creditors, but before shareholders. The interest rate on this type of debt will be higher than on other debt securities. There is a risk that the fund's net asset value will fall if one or several clauses in the issuance documentation of said subordinated debt securities is activated, and more generally if there is a credit event that affects the issuer concerned. The use of subordinated bonds exposes the fund to the risk of the coupon being cancelled or deferred (at the issuer's sole discretion) and to the risk of uncertainty about the redemption date.

COUNTERPARTY RISK

The unitholder is exposed to the defaulting of a counterparty or its inability to meet its contractual obligations in an OTC transaction, which could result in a drop in net asset value.

RISK ASSOCIATED WITH INVESTING IN CONVERTIBLE BONDS

Investors' attention is drawn to the indirect use of convertible bonds, instruments introducing equity risk and exposure to equity volatility. As a result, the Fund's net asset value may fall in the event of an increase in interest rates, a deterioration in the issuer's risk profile, a drop in the equity markets or a drop in the valuation of conversion options.

CREDIT RISK

The fund's net asset value will fall if it holds a bond or debt security of an issuer whose credit rating has been downgraded or if the issuer ends up being unable to pay out coupons or redeem capital.

MAIN RISKS (2/2)

CURRENCY RISK

The fund may invest in securities denominated in currencies other than the euro, so the unitholder may be exposed to a fall in the fund's net asset value if exchange rates vary.

LEGAL RISK ASSOCIATED WITH MAKING USE OF SECURITIES FINANCING TRANSACTIONS

The fund may be exposed to difficulties in trading or a temporary inability to trade in some of the securities in which it is invested or that it has received as collateral if a counterparty to its temporary purchases and sales of securities defaults.

SUSTAINABILITY RISK

The fund is exposed to sustainability risks. An event or situation arising in the environmental, social or governance arena could have a significantly adverse impact, whether real or potential, on the value of the investment. The fund's investment strategy factors in non-financial criteria based on a restrictive and material approach that seeks to exclude stocks with the poorest ESG ratings, the aim being to reduce the potential impact of any sustainability risks. Unitholders can find more information about the asset management company's policy on factoring in sustainability risk on the www.ofi-invest-am.com website.

LEGAL RISK ASSOCIATED WITH MAKING USE OF TOTAL RETURN SWAPS (TRS)

The fund may be exposed to difficulties in trading or a temporary inability to trade in some of the securities in which it is invested or that it has received as collateral if a counterparty to its total return swaps (TRS) defaults.

RISK ASSOCIATED WITH MAKING USE OF DERIVATIVE INSTRUMENTS

The fund may invest in derivative instruments and instruments with embedded derivatives, so its net asset value may fall more steeply than the markets to which it is exposed.

ANCILLARY RISKS

Liquidity risk

The Fund may invest, in part, in illiquid securities due to the market on which they may be traded or due to specific conditions of sale. As a result, the value of these securities may give rise to significant discrepancies in either direction. In particular, in the event of a significant redemption of units in the Fund, the manager may be forced to sell these assets under the conditions at that time, which may result in a drop in net asset value.

Emerging market risk.

The UCITS may invest on an ancillary basis in securities in emerging markets. Potential investors are advised that investment in these countries may increase market and credit risks. Both upward and downward market movements may be stronger and faster in these markets than in major international markets. In addition, investment in such markets involves the risk of restrictions on foreign investment, a counterparty risk and the risk of illiquidity of certain lines of the UCITS.

To find out more about the management' company's policies on integrating sustainability risks, and for details on ancillary risks, fundholders are urged to consult the prospectus, available at: <https://www.ofi-invest-am.com/en/fund/ofi-invest-esg-actions-japon-part-xl/FR0010247072>

IMPORTANTE INFORMATION

This advertising communication is aimed at professional clients or eligible counterparties only as defined in Directive "MIF 2" n°2014/65/UE and 2016/1034 concerning the markets in financial instruments. The content is not approved for retail clients or pension scheme members.

There may be eligibility requirements for the products and services quoted in this advertising communication. Prior to investing, investors must verify any legal constraints or restrictions there may be in connection with the subscription, purchase, possession or sale of the shares of the fund(s). Nothing in this advertising communication constitutes a solicitation or an offer to provide any investment advice or service. Ofi Invest Asset Management shall bear no responsibility in regards to possible damage caused or losses resulting from the use, in whole or in part, of the quoted facts.

Ofi Invest Asset Management considers that the information and figures contained in this advertising communication were valid and accurate on the day that they were drawn up. No guarantee can be made as to the exactitude of information gained from public sources.

Ofi Invest Asset Management does not give any formal or implicit guarantee regarding the correctness, the dependability, or the extensiveness of the data and information used in this presentation. The data is based on information believed to be reliable though Ofi Invest Asset Management does not guarantee it is exact, comprehensive, confirmed or validated and it should not be considered as such in any case.

Analyses and advises on allocation are based on hypotheses and internal forecasts of Ofi Invest Asset Management at the time the advertising communication was drawn up, which could be totally or partially not achieved. They should not be relied upon as indicating any guarantee of return from an investment and could be modified at any time.

The value of an investment on financial markets can go down as well as up and can fluctuate in response to changes in exchange rates. Given the economic and market risks, there can be no assurance that the products and services quoted in this advertising communication will achieve their investment objectives. Past performance is not a guide to future performance.

Investors considering subscribing for the shares of the fund should read carefully the most recent Key Information Document (KID) and/or prospectus, offering advertising communication or other information material and consult the most recent financial reports. The prospectuses, offering advertising communication or other information are available from your Ofi Invest Asset Management correspondents.

The portfolio management company may decide to terminate the provisions relating to the marketing of the fund, in accordance with Article 93a of Directive 2009/65/EC. The portfolio management company may decide to cease the marketing of this compartment in accordance with Regulation (EU) 2019/1156 of the European Parliament and of the Council of June 20, 2019.

This advertising communication is drawn up by Ofi Invest Asset Management, a portfolio management company (APE 6630Z) under French law approved by the Autorité des Marchés Financiers (AMF) under number GP92012 – company intra-community VAT number FR51384940342, a limited company with a Board of directors with a capital of 71,957,490 euros, whose registered office is located at 22, rue Vernier 75017 Paris, registered with the Paris Trade and Companies Register under number 384 940 342.

Any transaction is subject to costs which may reduce the return or value of financial instruments. For a comprehensive and detailed list of risks associated with the funds mentioned in the above list, please refer to the complete prospectuses and key information documents available in French and/or English on the website www.ofi-invest-am.com under the 'Our Funds' section. For more information on investor rights as well as collective redress mechanisms at national and EU level in the event of a dispute are respectively available here https://www.ofi-invest-am.com/pdf/ofi-invest-AM_investors-rights.pdf and here <https://www.ofi-invest-am.com/fr/informations-reglementaires>

The Key Information Document (KID) (English and German) and the prospectus (in French and English) are offered to subscribers prior to subscription and delivered upon subscription. They are also available on www.ofi-invest-am.com. These elements, as well as the latest available financial statements, are available to the public upon simple request, from Ofi Invest Asset Management.

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