LA FRANÇAISE

Key Investor Information Document

This document provides essential information to investors in this mutual fund. It is not a promotional document. The information contained in this document is provided to you in accordance with a legal obligation in order to help you understand what an investment in this mutual fund entails and what risks are associated with it. You are advised to read this document in order to make an informed decision on whether or not to invest.

La Française Sub Debt - R units - FR0011766401

This mutual fund is managed by La Française Asset Management, a La Française Group company

OBJECTIVES AND INVESTMENT POLICY

The aim of the fund, classified as "Bonds and other international debt securities" is to achieve a net performance above that of the composite benchmark index: 50% Markit iBoxx EUR Contingent Convertible (IBXXC2CO Index) + 25% Markit iBoxx EUR Non-Financials Subordinated (I4BN Index) + 25% Markit Iboxx EUR Insurance Subordinated (IYHH Index), over a recommended investment horizon of more than 10 years, by being exposed in particular to subordinated debt securities presenting a specific risk profile and different from that of conventional bonds, and by investing in a portfolio of issuers screened in advance according to Environmental, Social and Governance criteria.

Benchmark index: 50% Markit iBoxx EUR Contingent Convertible non-reinvested dividends (IBXXC2CO Index) + 25% Markit iBoxx EUR Non-Financials Subordinated dividends not reinvested (I4BN Index) + 25% Markit Iboxx EUR Insurance Subordinated dividends not reinvested (IYHH Index), composite index given for comparison. The manager is free to decide whether or not to invest in the securities that make up the benchmark index. It is therefore free to choose the securities that make up the portfolio while respecting the management strategy and investment constraints.

The investment universe of the fund covers bonds and negotiable debt instruments issued or guaranteed by Member States of the European Union, Switzerland, the United Kingdom and Norway (public debt up to 50% of the net assets), non-government bonds (private debt) of the European Union, Switzerland, the United Kingdom and Norway and denominated in US dollars and/or pounds sterling and/or euros, convertible bonds and money market instruments. This investment universe notably includes the different categories of subordinated debt as well as contingent convertible bonds (CoCos).

CoCos are more speculative and carry a higher default risk than conventional bonds, but these CoCos will be sought as part of the management of the fund owing to their significant yield. The purpose of this remuneration is to compensate for the fact that these securities can be converted into equity (shares) or suffer a capital loss in the event that the contingency clauses are triggered by the financial institution concerned (exceedance of a capital threshold predetermined in the prospectus of the subordinated bond). The initial investment universe covered is analysed by La Française Sustainable Investment Research (hereafter “ESG Research Team”) of the “La Française Group UK Limited” entity belonging to the La Française group. The analysis of Environmental, Social and Governance criteria is carried out by the “ESG Research Team” which has developed a proprietary ESG model and which enables a selective approach to the investable universe. This selectivity approach described in the prospectus allows each private or public issuer to be assigned a score of zero (the worst) to 10 (the best). This score reflects investment opportunities or, conversely, extra-financial risks. Then, the 20% of private issuers and 20% of public issuers whose ESG scores are the lowest in the initial investment universe covered are excluded. All of these excluded issuers comprise the ESG exclusion list.

The financial analysis applies to issuers in the small investment universe where the selection of securities and the construction of portfolios will be performed on a discretionary basis according to a proprietary model of monitoring the solvency of financial institutions. The instruments available to these issuers include in particular the different categories of subordinated debt such as contingent convertible bonds known as "CoCos".

The share of issuers analysed for these ESG criteria in the portfolio is greater than 90% of the securities in the portfolio.

The methodology adopted by the management company for taking into account extra-financial criteria may have the following limit linked to the analyses carried out by the research centre which depend on the quality of the information collected and the transparency of the issuers.

The allocation between private and public debt is not determined in advance and will be based on market opportunities.

The fund may invest without reference to specific credit rating criteria.

The overall sensitivity of the portfolio is between 0 and 10.

Investors in eurozone countries are not exposed to exchange-rate risks.

The fund may invest up to 10% in units or shares of UCITS in order to manage its cash or meet the management objective and may carry out temporary acquisitions and sales of securities.

Financial futures, traded on regulated, organised or over-the-counter markets, are used to expose and/or hedge the portfolio to interest rate and/or credit and/or index and/or equity risks (up to a maximum of 10%). These interventions may also be made on the exchange risk but only as a hedge. The financial instruments used are: futures, forwards, options, interest rate swaps, currency swaps, currency forwards, credit default swaps (CDS on single underlying asset, CDS on index) and total return swaps (up to 25% of assets).

The overall exposure of the portfolio, including the exposure induced by the use of forward financial instruments, is limited to 300% of the fund's assets.

Recommended investment period: This fund may not suit investors who intend to withdraw their contribution within 10 years.

Redemption methods: Redemptions are centralised at 11:00 a.m. every day (D) by La Française AM Finance Services and carried out on the basis of the next net asset value, with settlement on D+2 (trading days).

Allocation of distributable amounts: Capitalisation

RISK/RETURN PROFILE

At lower risk — At higher risk

Potentially lower return — Potentially higher return

1	2	3	4	**5**	6	7

Textual explanations of the risk indicator and its main limitations:

The level 5 risk indicator reflects the risk of the European Union interest rate markets, irrespective of the sector, with no particular financial rating criteria in which the fund invests within a sensitivity range of 0 to 10. This fund does not benefit from a capital guarantee.

This information is based on past results in terms of volatility. Historical data, such as that used to calculate the synthetic risk indicator, may not be a reliable indication for the future risk profile of the fund. The risk category shown is not guaranteed and may shift over time. The lowest category does not mean 'risk free'. Past performance is not necessarily a guide to future performance.

Significant risks to the mutual fund not included in this indicator:

ESG investment risk: The fund uses ESG criteria and may underperform the market in general or other funds that do not use ESG criteria when selecting investments.

Risk arising from techniques such as derivative products: Increased losses owing to the use of financial futures instruments such as OTC financial agreements, and/or transactions involving the temporary purchase and sale of securities, and/or futures contracts.

Counterparty risk:Counterparty risk arises from entering into financial forward contracts traded OTC and from temporary securities purchase and sale transactions: This is the risk that a counterparty may default on payment. The defaulting of the payment of a counterparty may therefore lead to a decrease in the net asset value.

CHARGES

The fees and commissions paid are used to cover the mutual fund's operating costs, including the costs of marketing and distributing the units. These charges reduce the potential investment growth.

ONE-TIME FEES LEVIED BEFORE OR AFTER INVESTMENT	
Entry fee:	4.00%
Exit fee	None

The percentage indicated is the maximum that can be withdrawn from your capital before it is invested. In some cases, the investor can pay less.
The investor can obtain from his advisor or distributor the actual amount of entry and exit fees.

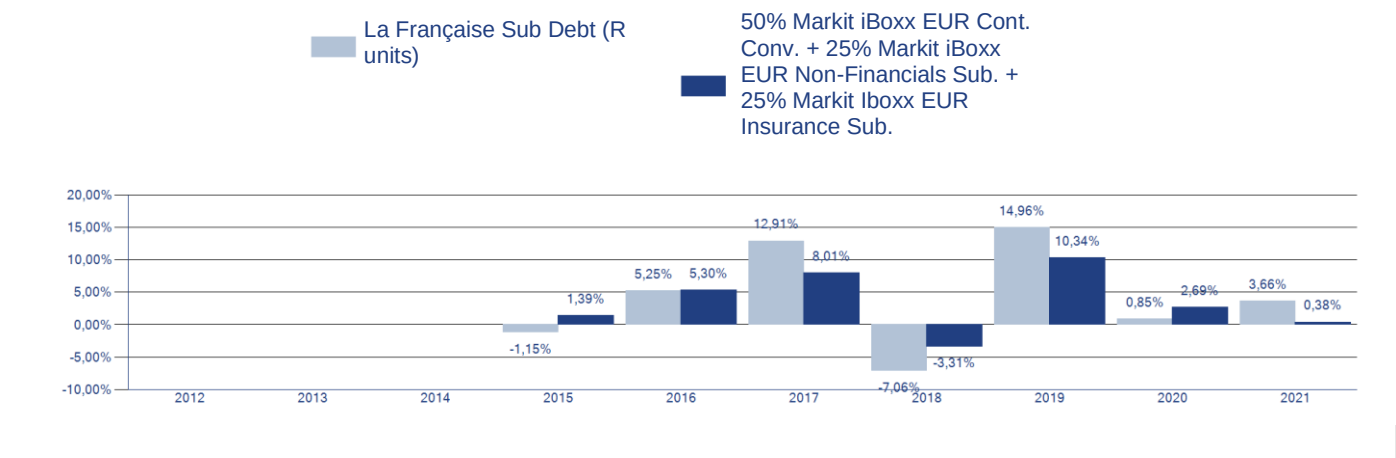
FEES LEVIED BY THE FUND OVER A YEAR	
Running costs	1.31% (*)

(*) This figure is based on expenses for the financial year ending 30/06/2022 and may vary from year to year.

CHARGES TAKEN FROM THE FUND UNDER CERTAIN SPECIFIC CONDITIONS	
Outperformance fee	0.00% (**)25% maximum (incl. tax)of the difference, if positive, between the performance of the fund and that of the composite benchmark index: 50% Markit iBoxx EUR Contingent Convertible + 25% Markit iBoxx EUR Non-Financials Subordinated + 25% Markit Iboxx EUR Insurance Subordinated

(**) This figure is based on expenses for the financial year ending 30/06/2022 and may vary from year to year.
Outperformance fee: maximum 25% including taxes of the outperformance calculated by comparing the development of the UCITS's assets with that of a benchmark UCITS achieving a return of exactly 7% per annum and registering the same variations in subscriptions and redemptions as the real UCITS. Since 23 September 2021, the outperformance fee has been calculated based on the following model: 25% maximum (incl. tax)of the difference, if positive, between the performance of the fund and that of the composite benchmark index: 50% Markit iBoxx EUR Contingent Convertible + 25% Markit iBoxx EUR Non-Financials Subordinated + 25% Markit Iboxx EUR Insurance Subordinated. Variable management fees capped at 2% (incl. tax) of average net assets (average net assets calculated since the beginning of the reference period for the performance fee and after deduction of variable management fee provisions).
For more information about charges, please see pages 12 to 14 of the prospectus of this mutual fund, which is available from the www.la-francaise.com website.
Running costs do not include: performance fees and intermediation fees except in the case of entry fees and/or exit fees paid by the mutual fund when it buys or sells units of another collective management vehicle.

PAST PERFORMANCE



Starting on 23/09/2021: change of the benchmark index: 50% Markit iBoxx EUR Contingent Convertible + 25% Markit iBoxx EUR Non-Financials Subordinated + 25% Markit Iboxx EUR Insurance Subordinated instead of Markit Iboxx Euro Financials Subordinated. As a result, the performance shown has been achieved in circumstances that will no longer apply from that date.
Mutual fund launched on: 20/10/2008
Performance calculated in EUR
The fund's performance is calculated with net dividends and coupons reinvested and net of direct and indirect management fees and excluding entry and exit charges.
Past performance is not necessarily an indicator of future performance. The value of the fund may vary over time.

USEFUL INFORMATION

Custodian: BNP Paribas S.A.
Latest prospectuses, annual report and periodic information document for units R, A, S, RC USD H, D, IC CHF H, T C EUR, Y, R D USD H, IC USD H, C, I GBP H, TS, L, T C USD H: available free of charge at http://www.la-francaise.com or by contacting La Française Asset Management tel. 33 (0)1 44 56 10 00 or via e-mail: contact-valeursmobilieres@la-francaise.com or by post at: 128, boulevard Raspail, 75006 Paris, France
Net asset value and other useful information: premises of the management company and/or www.la-francaise.com
Other categories of units: A, S, RC USD H, D, IC CHF H, T C EUR, Y, R D USD H, IC USD H, C, I GBP H, TS, L, T C USD H
Taxation: depending on your tax regime, any capital gains and income from holding mutual fund stocks may be subject to taxation. We recommend that you consult with the marketer of the mutual fund on this subject.
The fund is not open to residents of the United States of America categorised as a "U.S. Person" (the definition of a "U.S. Person" is available on the management company website www.la-francaise.com and/or in the prospectus).

Remuneration policy: the updated remuneration policy of the Management Company, including a description of how remuneration and benefits are calculated and the membership of the remuneration committee responsible for allocating variable remuneration and benefits, is available on the website: https://www.la-francaise.com/fr/informations-reglementaires/. A hard copy is available free of charge from the head office of the management company.
La Française Asset Management can only be held liable on the basis of statements contained in this document which are misleading, inaccurate or inconsistent with the corresponding parts of the mutual fund prospectus.
This mutual fund is approved by France and regulated by the French Financial Markets Authority.
La Française Asset Management is accredited in France and regulated by the French Financial Markets Authority.
The key information provided herein for investors is accurate and up to date as at 1 October 2022.