LA FRANÇAISE

Key Investor Information Document

This document provides you with key investor information about this SICAV. It is not a promotional document. The information it contains is provided to you in accordance with a legal obligation to help you understand what an investment in this SICAV entails and the risks 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 Carbon Impact 2026 - D shares - FR0013431152

a sub-fund of the LA FRANÇAISE UCITS

This SICAV is managed by La Française Asset Management, a company of La Française Group

OBJECTIVES AND INVESTMENT POLICY

The fund, classified as "Bonds and other international debt securities", aims to achieve, over the recommended investment period of seven years from the date of creation of the fund until 31 December 2026, a performance net of costs higher than that of bonds maturing in 2026 issued by the French government and denominated in EUR, by investing in a portfolio of issuers filtered beforehand using ESG criteria and analysed from the perspective of their compatibility with the energy transition in accordance with the methodology established by the management company. The fund undertakes to have a weighted average of the portfolio's greenhouse gas emissions per euro invested (scopes 1 and 2) at least 50% lower than that of a comparable investment universe, the composite 30% Bloomberg Barclays Global Aggregate Corporate Index 70% ICE BofAML BB-B Global High Yield Index. Investors should note that the performance indicated in the management objective of the Fund takes account of the estimate of the risk of default or downgrading of the rating of one or more issuers in the portfolio, the cost of currency hedging and the management fees payable to the Management Company.

Benchmark index: The UCI has no benchmark. It is managed actively on a discretionary basis.

The initial investment universe of the UCI is constructed from a portfolio of bonds from private issuers ("Investment grade" and "High Yield") and/or semi-public issuers (excluding State borrowing or issues explicitly guaranteed by a State) and analysed in accordance with environmental, social and governance criteria. To this end, the management company uses the "La Française Sustainable Investment Research" research centre of the "La Française Group UK Limited" entity, which specialises in responsible investment criteria. The UCI may invest in securities, maturing no later than 31 December 2027, i.e. no more than one year after the maturity of the fund. However, the average maturity of the portfolio will not exceed 31 December 2026. The strategy is not limited to bond carrying; the management company may use arbitrage transactions in the event of new market opportunities or if an increased risk of default by one of the issuers in the portfolio is detected. **Step 1: Quantitative filtering – Selectivity approach:** the ESG rating process is structured in 5 steps which are outlined in the prospectus. At the end of the process, each issuer is assigned a score from 0 (the worst) to 10 (the best). This score reflects investment opportunities or, conversely, extra-financial risks. The 20% of 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. **Step 2: Carbon and financial analysis:** The issuer's credit quality is analysed; then, a "carbon" analysis is performed on analysis criteria linked to climate change. These criteria exist at various levels such as the historical carbon emissions performance, governance and management of climate risks and the strategy implemented by the company to participate in the transition. A "carbon impact" score is assigned at the end of this analysis. For low carbon emitters in the financial sector, a qualitative analysis is performed in addition to the score attributed. For sectors with very high carbon intensity, a qualitative analysis of the company's future carbon performance is conducted in addition to the assigned score. This is a "trajectory" calculation of carbon emissions that we compare with sectoral decarbonation trajectories. During this qualitative analysis, the ESG analysts and the management team will estimate the ability of a company to meet its decarbonation objectives in view of current investments, past performance and the transformation of their portfolio of products sold. The companies are then qualified, according to the methodology of the management company subject to the limitations specified above, as: i) low carbon, ii) in transition according to the sectoral decarbonation trajectory, iii) in transition but ambition required and iv) lagging behind in terms of the attributed score. The UCI may also invest in green bonds where the impact of the environmental projects financed is measurable in terms of the four key principles of the "Green Bond Principles". **Step 3: Carbon footprint measurement**: the objective of reducing the portfolio's carbon footprint by at least 50% compared to the carbon benchmark. The limitation of this methodology has particularly to do with the quality of the information collected by the Research Team and the transparency of the various issuers. The UCI may invest up to 10% of its assets in units or shares of UCITS governed by French or foreign law, or in UCI units or shares and/or investment funds that meet the four criteria of Article R214-13 of the Monetary and Financial Code. They will be used to manage cash flow. The UCI may invest in financial futures traded on French and foreign regulated markets or OTC: futures, swaps and forward exchange contracts. Each instrument addresses hedging or exposure strategies to (i) hedge the entire portfolio or certain asset classes held within it against interest, (ii) synthetically rebuild specific assets or (iii) increase the fund's exposure to certain risks in the market. The fund may also make use of temporary securities purchase and sale transactions in order to (i) ensure the investment of the cash available (reverse repo), or (ii) optimise the performance of the portfolio (securities lending)

Recommended investment period: Until 31 December 2026. Subscribers are informed that their primary interest is to maintain their investment until 31 December 2026 in order to benefit from the best actuarial yield conditions offered by the fund.

Redemption methods: Redemptions are centralised at 12:00 a.m. every day (D) by La Française AM Finance Services and executed on the basis of the next net asset value, with settlement on T+2 (trading days).

Fund subscriptions will close on 31 December 2023 at 12:00 a.m. From this date, only subscriptions preceded by a redemption on the same day for the same number of units, for the same net asset value and by the same unitholder may be executed.

Allocation of distributable amounts: capitalisation and/or distribution and/or carry forward

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:

Risk category 4 reflects the fund's investments in public sector interest rate products issued or guaranteed by OECD member states as well as in private debt securities meeting the minimum rating criteria and managed in compliance with a sensitivity range of [0; 8]. This information is based on past results in terms of volatility. Historical data, such as that used to calculate the synthetic indicator, may not be a reliable indication for the future risk profile of the fund. The risk category associated with this fund is not guaranteed and may change over time. The lowest category does not mean 'risk free'. This fund does not benefit from a capital guarantee.

Risks with significance for the SICAV 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.

Credit risk: Credit risk may arise from a downgrading of the credit rating of an issuer of debt securities or the default of an issuer or the fund's investments in high-yield securities. If an issuer's credit rating is downgraded, the value of its assets falls. Consequently, this may cause the net asset value of the fund to fall.

Liquidity risk: This refers to the risk when trading volumes are low or in the event of volatility on a particular market, this financial market cannot absorb the volumes of sales (or purchases) without significantly lowering (or raising) asset prices. This may lead to a decline in the net asset value.

CHARGES

The charges and fees you pay are used to cover the costs of running the SICAV, 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:	3.00%
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.

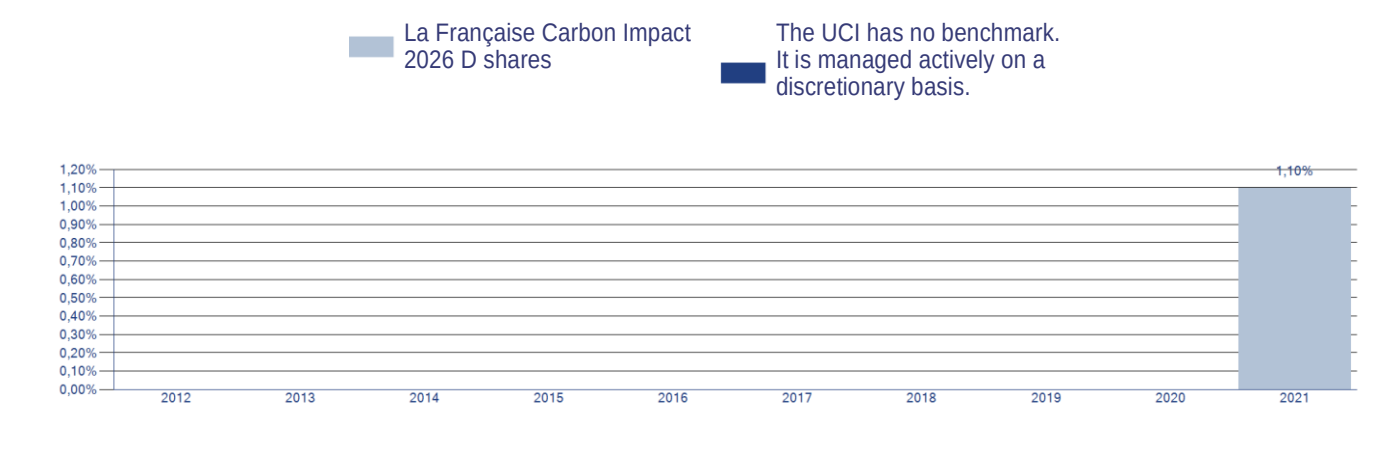
FEES LEVIED BY THE FUND OVER A YEAR	
Running costs	1.39% (*)

(*) 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	None

For further information about charges, please see pages 59 and 60 of the prospectus of this SICAV, which is available on the www.la-francaise.com website.
Running costs do not include: outperformance and intermediation fees, except in the case of an entry and/or exit fee paid by the SICAV when buying or selling units in another collective investment undertaking.

PAST PERFORMANCE



SICAV created on: 12/11/2018
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 prospectus, annual report and periodic disclosure document for D shares, S shares, TC shares, TD shares, R shares, C shares, IC USD H shares, D USD H shares, Z shares, R USD H shares, I shares, I D shares: 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: S shares, TC shares, TD shares, R shares, C shares, IC USD H shares, D USD H shares, Z shares, R USD H shares, I shares, I D shares
Taxation: Depending on your tax regime, any capital gains and income associated with holding shares in the SICAV could be subject to taxation. We recommend that you consult with the marketer of the SICAV 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 may be held liable solely on the basis of any statement contained in this document that is misleading, inaccurate or inconsistent with the relevant parts of the SICAV prospectus.
This SICAV is accredited by the French State 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.