



LA FRANÇAISE

La Française Carbon Impact 2026 - R shares - FR0013431186

Key Investor Information Document

Objective

This document contains essential information about this investment product. This is not promotional material. This information is required by law to help you understand what this product is along with the potential risks, costs, gains and losses that are associated with it, and to help you compare it to other products.

Product

Product: La Française Carbon Impact 2026 R shares

ISIN code: FR0013431186

Initiator: La Française Asset Management. The Autorité des marchés financiers (AMF) is responsible for monitoring La Française Asset Management in relation to this Key Investor Information Document. La Française Asset Management is registered in France under number GP 97076 and is regulated by the AMF. Further information is available on the management company's website, www.la-francaise.com or by calling + 33 1 44 56 10 00.

Effective date of the Key Investor Information Document: 02/11/2023

What is this product?

Type of product: Sub-fund of the SICAV LA FRANÇAISE

Product lifespan: 99 years

Objectives: 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 is committed to having 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 that would be the composite 30% Bloomberg 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.

Investment strategy:

The investment strategy involves the discretionary management of a portfolio of bonds issued by private (investment grade or high yield) or public bodies (up to 10% of the net assets).

The fund's initial investment universe is constructed from a portfolio of bonds issued by public issuers which are members of the JP Morgan Hedged Eur Unit GBI Global Index (JHUCGBIG Index) and private issuers which are members of the Bloomberg Global Aggregate Corporate Total Return Index Hedged EUR (LGCPTREH Index) and ICE BofAML BB-B Global High Yield Index (HW40 Index), analysed according to 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 sale and purchase transactions in the event of new market opportunities or an increased default risk of one of the issuers in the portfolio.

The investment process is based on a dual approach of ESG integration with a significant commitment to management and the topic at hand, and includes the following steps :

Stage 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 proportion of issuers analysed under these ESG criteria in the portfolio exceeds 90% of the securities in the portfolio, excluding cash.

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, based on 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.

Up to 100% of the portfolio's net assets are invested in Investment Grade issues (with a rating higher or equal to BBB- at Standard & Poor's or Baa3 at Moody's or the equivalent according to the analysis of the Management Company) and up to 70% High Yield issues (i.e. greater than or equal to B- at Standard & Poor's or B3 according to Moody's or an equivalent rating of the Management Company). The portfolio may invest up to 10% of its net assets in securities issued or guaranteed explicitly by governments and/or supranational entities, multilateral development banks, local and regional authorities.

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, forwards. Each instrument addresses specific hedging or exposure strategies to (i) hedge the entire portfolio or certain asset classes held within it against market risk (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).

The latest prospectuses, the latest net asset value of the shares, the annual report and the periodic information document of the fund's shares: Legal documents are available on request and free of charge from the management company or on the website: www.la-francaise.com. You can get this information free of charge on request from serviceclient@la-francaise.com. Any further information is available from the Customer Service Nominative Products Department using the following contact details: serviceclient@la-francaise.com.

Target retail investors:

All subscribers, including investors subscribing via distributors providing a non-independent advisory service within the meaning of MiFID II or Reception and Transmission of Orders (RTO) with services

The UCI is not open to residents of the United States of America/US Person.

Depository: The Depository of the UCITS is BNP Paribas S.A., located at 9 rue du Débarcadère, 93500 PANTIN (the "Depository"). BNP Paribas S.A., registered in the Trade and Companies Register under number 662 042 449, is an institution approved by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the French Financial Markets Authority (Autorité des Marchés Financiers – AMF), whose registered office is located at 16 Boulevard des Italiens, 75009 Paris, France.

Other information:

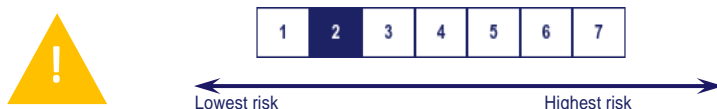
Redemptions are centralised each day (T) at 12:00 p.m. with La Française AM Finance Services and with IZNES for shares to be registered or registered in the IZNES Shared Electronic Registration System (DEEP) and are carried out on the basis of the next net asset value, with settlement on T+2 (business day).

Fund subscriptions will close on 31 December 2024 at 12:00 p.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

📍 Risk and Reward Profile

Risk indicator



The risk indicator assumes that you will be keeping the product up until 31 December 2026.

The actual risk may be very different if you opt for an earlier exit, and you may get less in return.

The synthetic risk indicator makes it possible to assess the level of risk of this product compared to others. It indicates the likelihood of this product incurring losses in the event of market developments or our inability to pay you.

We have classified this product in risk class 2 out of 7, which is a low risk class. In other words, the potential losses linked to the future performance of the product are at a low level and, if the situation were to deteriorate on the markets, it is very unlikely that our ability to pay you would be affected.

Risks with significance for the SICAV not included in this indicator:

- Credit risk
- Liquidity risk:

This product is not protected from market fluctuations, and you may therefore lose all or part of your investment.

Performance scenarios

What you get out of this product depends on future market performance. The future development of the market cannot be accurately predicted.

The scenarios shown here represent examples based on past performance and certain assumptions.

Recommended investment period: 31/12/2026 Investment example: €10,000		If you exit after 1 year	If you exit after 31/12/2026
Scenarios	What you could get after costs are deducted		
Stress scenario	Average annual return	€6,040	€6,790
		-39.58%	-11.22%
Adverse scenario	What you could get after costs are deducted	€8,450	€9040
	Average annual return	-15.54%	-3.05%
Intermediate scenario	What you could get after costs are deducted	€9,990	€11,070
	Average annual return	-0.06%	3.18%
Favourable scenario	What you could get after costs are deducted	€11,280	€12,120
	Average annual return	12.81%	6.08%

The unfavourable, intermediate and favourable scenarios presented represent examples using the best and worst performances, as well as the average performance of the product, calculated over a minimum of 10 years of data. Markets could perform very differently in the future.

This type of adverse scenario has occurred for an investment between: 06/2019 and 09/2022.

This type of intermediate scenario has occurred for an investment between: 08/2018 and 11/2021.

This type of favourable scenario has occurred for an investment between: 01/2016 and 04/2019.

This table shows the amounts you could get by 31/12/2026, under different scenarios, assuming you choose to invest €10,000.

The different scenarios show how your investment may perform. You can compare them with the scenarios of other products. The stress scenario shows the potential returns you may obtain in extreme market situations.

The figures shown include all the costs of the product itself, but not necessarily all the fees payable to your advisor or distributor.

These figures do not take into account your personal tax situation, which may also affect the amounts you receive.

📍 What happens if La Française Asset Management is unable to make the payments?

The product is a co-ownership of financial instruments and deposits separate from the portfolio management company. In the event of defaulting by this latter, the assets of the product held by the depositary will not be affected. In the event of default by the depositary, the risk of financial loss to the product is mitigated by the legal separation of the depositary's assets from those of the product.

📍 What will this investment cost me?

You may be asked to pay additional costs by the person selling or advising you about the product. If so, this person will inform you about these costs and show you the impact of all costs on your investment over time.

Costs over time:

The tables show the amounts deducted from your investment to cover the different types of costs. These amounts depend on the amount you invest, how long you hold the product and how well the product performed. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.

We have made the following assumptions:

- that during the first year you would get back the amount you invested (annual return of 0%) and for the other holding periods, the product evolves as indicated in the intermediate scenario.
- that you have invested €10,000.

Investment: €10,000	If you exit after 1 year	If you exit after 31/12/2026
Total costs	€471.53	€949.55
Cost impact*	4.77%	2.81%

(*) This illustrates how costs reduce your return annually over the holding period. For example, it shows that if you exit at the end of the recommended holding period, your average return per year is expected to be 5.99% before costs and 3.18% after costs.

Breakdown of costs:

One-off entry or exit costs	If you exit after 1 year
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Entry cost	Maximum 3.00% of the amount you pay at the time of entry into the investment, not including the distribution costs for your product. The person selling you the product will be able to tell you the actual costs.	up to €300.00
Exit cost	We do not charge an exit fee for this product.	€0.00
Recurrent costs [collected annually].		
Management fees and other administrative and operating expenses	Maximum 1.28% of the value of your investment per year. This estimate is based on actual costs over the past year.	€124.16
Transaction costs	0.49% of the value of your investment per year. This is an estimate of the costs incurred when we buy and sell the investments underlying the product. The actual amount varies depending on how much we buy and sell.	€47.37
Recurring costs collected under certain conditions		
Performance-related fees	There are no performance-related fees for this product.	€0.00

🕒 How long should I keep my investment and can I withdraw money early?

Recommended holding period: 31/12/2026

Possibilities and conditions for divestment before maturity:

Redemptions are centralised each day (T) at 12:00 p.m. with La Française AM Finance Services and with IZNES for shares to be registered or registered in the IZNES Shared Electronic Registration System (DEEP) and are carried out on the basis of the next net asset value, with settlement on T+2 (business day).

Fund subscriptions will close on 31 December 2024 at 12:00 p.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.

🗨️ How can I make a complaint?

Complaints should be directed to the customer services department of the La Française Group at 128 boulevard Raspail 75006 PARIS (reclamations.clients@la-francaise.com), by phone on +33 (0)1 53 62 40 60, or through the website: <https://www.la-francaise.com/fr/service-clientele/>

📄 Other relevant information

Account holder: BNP Paribas S.A.

Legal form: Sicav

The fund has specific sustainable investment objectives (Article 9 SFDR).

Information regarding consideration of ESG (environmental, social and quality of governance) criteria in the investment policy is available on the management company's website: www.la-francaise.com and will appear in the annual report.

More information on the inclusion of ESG (Environmental, Social and Governance quality) criteria in the investment policy applied by the Management Company, the charter on sustainable investment, the climate and responsible investment strategy report, the engagement and exclusion policy can also be found online on the Management Company's website at the following address: <https://www.la-francaise.com/fr/nous-connaître/nos-expertises/l'investissement-durable>.

The past performance of your product shown in graphs is available on request and free of charge from the management company or on the website: www.la-francaise.com. You can get this information free of charge on request from serviceclient@la-francaise.com.

Net asset value and other useful information: premises of the management company and/or www.la-francaise.com

If you have a dispute about investment services or financial instruments, you can contact the AMF Ombudsman.

Where this product is used as a unit-linked carrier of a life insurance or capitalisation contract, additional information on this contract, such as the costs of the contract, which are not included in the costs set out in this document, the contact in the event of a claim and what happens in the event of the insurance company's default, is set out in the Key Investor Information Document for this contract which must be provided by your insurer or broker or other insurance intermediary in accordance with their legal obligations.