

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.

La Française Sub Debt - R units - FR0011766401

Product

Product: La Française Sub Debt (R units)

ISIN code: FR0011766401

Initiator: Crédit Mutuel Asset Management. The Autorité des marchés financiers (AMF) is responsible for monitoring Crédit Mutuel Asset Management with regard to this key information document. Crédit Mutuel Asset Management is authorised in France under no. GP 97-138 and regulated by the AMF. Further information is available on the management company's website, www.la-francaise.com or www.creditmutuel-am.eu or by calling + 33 1 44 56 10 00.

Date of production of the key information document: 01/12/2025

What is this product?

Type of product: Fonds Commun de Placement (mutual fund) under French law

Product term: 99 years

Objectives:

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 3 years, by being exposed in particular to subordinated debt securities presenting a specific risk profile and different from that of conventional bonds.

This UCITS is managed using a qualitative non-financial filter in accordance with the policy implemented by Crédit Mutuel Asset Management and in compliance with the requirements of the French SRI label, using an ESG integration and selectivity approach to management.

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), index given for comparison. The manager is free to decide whether or not to invest in the securities that make up the benchmark index. They are therefore free to choose the securities that make up the portfolio in accordance with the management strategy and investment constraints.

Investment strategy:

The management company establishes an initial investment universe constructed from private issuers belonging to the Bloomberg Global Aggregate Corporate Total Return Index Hedged EUR (LGCPTREH Index), the ICE BofA Contingent Capital Index EUR Hedged (COCO Index), the iBoxx EUR Non-Financials Subordinated Total return in EUR (I4BN Index) and the ICE BofA BB Global High Yield Index Total return in EUR (HW10 Index) indices, and from public issuers belonging to the JP Morgan Hedged Eur Unit GBI Global index (JHUCGBIG Index).

The investment process is based on an ESG integration and selectivity and is broken down into three stages:

Stage 1: Legal and sectoral exclusion policies and controversy management:

Starting with the initial investment universe, the management team will apply a filter linked to Crédit Mutuel Asset Management's sector exclusion policies that it implements for the management of its funds. In addition to the legal exclusions, sectoral exclusions are implemented concerning controversial weapons, tobacco, coal and hydrocarbons.

The controversy management of each security is subject to specific analysis, monitoring and rating. The management company will exclude all companies with major controversies.

Stage 2: ESG filter:

The non-financial analysis carried out according to the ESG securities selection process leads to at least 25% of the lowest-rated issuers being excluded from the initial investment universe covered. This rate will be 30% from 1 January 2026.

Crédit Mutuel Asset Management's proprietary ESG analysis is based on three complementary pillars: Environment (e.g. CO2 emissions, electricity consumption, waste recycling), Social (e.g. quality of social dialogue, employment of disabled people, employee training) and Governance (e.g. gender diversity on boards of directors, transparency of executive compensation, anti-corruption measures). A qualitative analysis supplements the non-financial analysis resulting from the model.

Stage 3: Financial analysis and portfolio construction:

The financial analysis applies to issuers in the reduced investment universe where securities selection and portfolio construction will be done on a discretionary basis according to a proprietary model used to monitor the solvency of financial institutions. The instruments available to these issuers notably include the various categories of subordinated debt, such as contingent convertible bonds known as "CoCos".

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 markets or over-the-counter, are used to hedge and/or expose 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 currency risk, but only in the interests of hedging. 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) options on CDS (up to 15% of net assets) and total return swaps (up to 25% of net 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.

However, issuers with the highest ESG scores will not be automatically retained in the portfolio construction, as inclusion in the final portfolio is subject to the manager's discretion.

The individual securities selected by the management team incorporate non-financial criteria, and UCIs selected by the management team featuring the French SRI label constitute 90% of the portfolio. The Fund may invest up to 10% of its net assets in directly held securities that do not incorporate non-financial criteria and in units or shares of non-SRI-certified UCIs.

The latest prospectuses, the latest net asset value of the units, 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 websites: www.la-francaise.com and/or www.creditmutuel-am.eu. 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: BNP Paribas S.A.

Other information:

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

Allocation of distributable amounts: Capitalisation

What are the risks and what could i get in return?

Risk indicator



The risk indicator assumes that you keep the product for three years.

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

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

- ESG investment risk;
- Risk arising from techniques such as derivative products;
- Counterparty risk.

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

Performance scenarios

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

The adverse, 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. The stress scenario shows the potential returns you may obtain in extreme market situations.

Recommended investment period: 3 years Investment example: €10,000		If you exit after 1 year	If you exit after 3 years
Scenarios			
Stress scenario	What you could get after costs are deducted	€5,200	€6,290
	Average annual return	-48.0%	-14.3%
Adverse scenario	What you could get after costs are deducted	€7,470	€8,050
	Average annual return	-25.3%	-7.0%
Intermediate scenario	What you could get after costs are deducted	€10,070	€10,180
	Average annual return	0.7%	0.6%
Favourable scenario	What you could get after costs are deducted	€11,760	€12,070
	Average annual return	17.6%	6.5%

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

This type of intermediate scenario has occurred for an investment between: 01/2018 and 01/2021.

This type of favourable scenario has occurred for an investment between: 06/2022 and 06/2025.

What happens if Crédit Mutuel 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 depository will not be affected. In the event of default by the depository, the risk of financial loss to the product is mitigated by the legal separation of the depository'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 3 years
Total costs	€596	€1,037
Cost impact*	6.0%	3.5%

(*) 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 4.1% before costs and 0.6% after costs.

Breakdown of costs:

One-off entry or exit costs		If you exit after 1 year
Entry cost	Maximum 4.00% 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 €400
Exit cost	We do not charge an exit fee for this product.	€0
Recurrent costs [collected annually]		
Management fees and other administrative and operating expenses	Maximum 1.25% of the value of your investment per year. This estimate is based on actual costs over the past year.	€120
Transaction costs	0.43% 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.	€41
Incidental costs collected under certain conditions		
Performance-related fees	maximum 25% including taxes of the outperformance calculated by comparing the development of the UCITS' 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: Up to 25% including tax of the difference, if positive, between the fund's performance and that of the composite reference 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).	€35

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

Recommended holding period: 3 years

Possibilities and conditions for divestment before maturity:

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

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: Mutual fund

The fund promotes environmental and/or social characteristics (Article 8 SFDR). The UCITS has been awarded the SRI label.

Information regarding consideration of ESG (environmental, social and quality of governance) criteria in the investment policy is available on the following website: www.la-francaise.com and will be given 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 following website: <https://www.la-francaise.com/fr/nous-connaître/nos-expertises/linvestissement-durable>.

The past performance of your product shown in graph form is available on request and free of charge from the management company or on the websites: www.creditmutuel-am.eu and/or www.la-francaise.com. You can get this information free of charge on request from serviceclient@la-francaise.com.

Net asset value and other practical information: premises of the Management Company and/or www.creditmutuel-am.eu

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.

