

LA FRANCAISE LUX
Société Anonyme - Société d'Investissement à Capital Variable
60, avenue J.F. Kennedy, L - 1855 Luxembourg
R.C.S. Luxembourg: B 66. 785
(the "**Company**")

NOTICE TO SHAREHOLDERS OF THE SUB-FUND CARBON IMPACT INCOME (THE "SUB-FUND")

Luxembourg, 19 of December 2022

Dear Shareholder,

The Company's board of directors (the "**Board**") hereby informs you that the classification of the Sub-Fund under the disclosure regime of the article 8 of the Regulation 2019/2088 on sustainability-related disclosures in the financial services sector (the "**SFDR**") will change as from 1st January 2023.

The Sub-Fund currently pursues a sustainable investment objective and is consequently classified under the disclosure regime of article 9 of the SFDR. The Commission Delegated Regulation (EU) 2022/1288 supplementing the SFDR (the "CDR"), applicable as from 1st January 2023, now requires that funds under this disclosure regime should make sustainable investments only (with a few exceptions).

The Sub-Fund will not be able to meet the characteristics required by the CDR to remain classified under the disclosure regime of article 9 of the SFDR, as from 1st January 2023. It has therefore been decided to reclassify the Sub-Fund under the disclosure regime of article 8 of the SFDR, which applies to funds promoting environmental, social and or governance (ESG) characteristics.

The change will not have an impact on the way the Sub-Fund is managed, the investment strategy, the asset allocation and the risk profile.

If you do not agree with the changes mentioned above, you may request the redemption of your shares until 11:00 on 20 January 2023. Shareholders are reminded of the fact that in compliance with the prospectus of the Company no redemption fee is payable in case of redemption of shares.

The updated version of the prospectus reflecting among others the above change will be available at the registered office of the Company as soon as visa-stamped by the Luxembourg supervisory authority of the financial sector.

Yours faithfully,

On behalf of the Board