

**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**")

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**NOTICE TO SHAREHOLDERS OF THE SUB-FUND INFLECTION POINT CARBON IMPACT EURO  
(THE "SUB-FUND")**

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Luxembourg, 26 of November 2021

Dear Shareholder,

The Company's board of directors (the "**Board**") hereby informs you of the following changes to be made to the prospectus of the Company (the "**Prospectus**"):

1) Clarification of the Sub-Fund's investment policy and applicable risks

a) *Investment policy*

The first paragraphs of the investment policy of the Sub-Fund has been clarified to read as follows:

*"The sub-fund invests mainly in equities issued by Eurozone companies that have committed to reducing their carbon emissions, expanding their low carbon strategy and replacing fossil energy sources with low carbon emission alternatives.*

*The sub-fund invests at least 85% of its net assets in equities and equity-related securities issued by companies of any sector and market capitalisation that are registered in the Eurozone.*

*The sub-fund may invest in, or be exposed to, the following investments up to the percentage of net assets indicated:*

- *equities from Eurozone (including exposure from derivatives): 85% to 105%*
- *equities from anywhere in the world, including emerging markets: 10%*
- *investment grade bonds: 10%*
- *other UCITS/UCIs: 10%"*

*b) Use of benchmark*

In order to ensure compliance with the disclosure requirements foreseen by the ESMA Q&A on the UCITS Directive related to the use of a benchmark, the following paragraph has been added to the investment policy:

*“The sub-fund is actively and discretionarily managed. The sub-fund is not managed in reference to an index.”*

*c) Update of risk warnings*

In compliance with the already applicable investment policy, risk warnings related to investments in derivatives and emerging markets have been added to the list of risks typically associated with ordinary market circumstances. The liquidity risk has been removed from the list of risks associated with unusual market circumstances. Furthermore, the counterparty risk warning has been added to the list of risks associated with unusual market circumstances.

2) Reduction of the operation fees charged for share class F (C) EUR

The percentage of operation fees has been reduced from a maximum of 0.50% to a maximum of 0.30% of the net asset value of the share class.

The updates described above are clarifications and do not have an impact on the way the Sub-Fund is managed, its asset allocation or its risk profile.

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