

CARMIGNAC CREDIT 2031

FRENCH MUTUAL FUND (FCP)



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INVESTING IN CREDIT MARKETS WITH VISIBILITY AND DIVERSIFICATION

Management Team as at 31/12/2024

The management team is subject to change during the life of the Fund.

The recommended investment period is from the launch date to the maturity date, i.e. **31 October 2031**.



SFDR Fund Classification**



Carmignac Credit 2031 is a target maturity bond fund that follows a buy-and-hold strategy on credit markets. With a careful selection of issuers, a target performance objective and predetermined end date⁽¹⁾, Carmignac Credit 2031 **gives investors visibility over their investment and diversifies the risks to which they are exposed**. The Fund targets an annualised performance (net of management fees) between its inception on 31/12/2024 and maturity on 31/10/2031, as described in the prospectus for each unit (over 2.78% for A EUR Acc and A EUR Ydis units). *The objective does not constitute a promise of return or performance, the performance is not guaranteed.*

KEY POINTS



A buy-and-hold strategy running until 2031, suited to a high interest rate environment while offering visibility on global credit markets⁽¹⁾.



A conviction-driven investment process that seeks to identify attractive premiums in different segments of the credit universe and build a diversified yet selective portfolio.



Risks that diminish over time and that are managed rigorously, given the target maturity and systematic hedging of currency risk.



Credit market expertise: The Fund benefits from its team's proven experience and complementary skills in the world of credit.

RIGOROUS SELECTION OF ISSUERS IN A GLOBAL INVESTMENT SPACE

Carmignac Credit 2031 has access to the whole credit universe: it may invest in both developed and emerging markets, in securities with diverse risk/return profiles. In pursuit of its investment objective, the Fund ensures that its average rating is investment grade; ensuring the high quality of issuers in the portfolio and limited default risk.

Investment grade allocation

Maximum 100%

Allocation to emerging market corporate bonds⁽²⁾

Maximum 30%

High yield⁽³⁾ allocation

Maximum 50%

Structured credit

Maximum 40%

Currency risk exposure

Hedged - Euro

Average rating

Minimum BBB- or equivalent as determined by the management company

*Source: Carmignac, 31/12/2024. SRI from the KID (Key Information Document): scale from 1 (lowest risk) to 7 (highest risk); category-1 risk does not mean a risk-free investment. This indicator may change over time. **Sustainable Finance Disclosure Regulation (SFDR) 2019/2088. For more information, please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>. (1) Please see overleaf or refer to the Fund's prospectus for more information about the investment objective. Under no circumstances should the investment objective be construed as a promised yield or performance, which is not guaranteed. (2) Investment in bonds from government or corporate issuers in non-OECD countries, including emerging markets. (3) High yield bonds are speculative securities.

CARMIGNAC CREDIT 2031

- **Launch date:** 31/12/2024
- **Investment universe:** Global credit markets. Currency risk is systematically hedged.
- **Objective:** The Fund's investment objective is to offer annualised performance, net of management fees, from the Fund's inception on 31/12/2024 until its maturity on 31/10/2031, of over:
 - for A EUR Acc and A EUR Ydis units: **2.78%**;
 - for AW EUR Acc and AW EUR Ydis units: **2.48%**;
 - for F EUR Acc and F EUR Ydis units: **3.28%**;
 - for FW EUR Acc and FW EUR Ydis units: **2.98%**.

This objective is based on the fulfilment of market assumptions made by the management company (probability of default, recovery rate, exercise of early redemption options, repayments, hedging costs, etc.) when the Fund is launched, and only applies to subscriptions at this time. For subsequent subscriptions, performance will depend on market conditions at that time, which we cannot predict and which may therefore result in divergent performance. The market assumptions made by the management company may prove incorrect, which would prevent the Fund from reaching its performance objective. Under no circumstances should the investment objective be construed as a promised yield or performance, which is not guaranteed.

This annualised performance will be generated primarily from the Fund's buy-and-hold strategy and is net of management fees. It takes into account the estimate of any currency hedging costs, defaults calculated by the management company, and any capital losses realised on the resale of certain instruments before their maturity.

The Fund's assets will include bonds (including contingent convertible bonds for up to 15% of the net assets) as well as securitisation vehicles (up to 40% of the net assets) and credit default swaps (up to 20% of the net assets). The Fund is unconstrained in its division of assets between private and public issuers. It will therefore be exposed to corporate and government bond markets until liquidated. Up to 30% of the net assets may be held outside the OECD, including on emerging markets. The portfolio's average rating will be BBB- or higher (investment grade).

The Fund is an actively managed UCITS. The investment manager has discretion over the portfolio's composition, subject to compliance with the stated investment objective and policy.

MAIN RISKS OF THE FUND

CREDIT: Credit risk is the risk that the issuer may default. **INTEREST RATE:** Interest rate risk results in a decline in the net asset value in the event of changes in interest rates. **LIQUIDITY:** Temporary market distortions may have an impact on the pricing conditions under which the Fund might be caused to liquidate, initiate or modify its positions. **DISCRETIONARY MANAGEMENT:** Anticipations of financial market changes made by the Management Company have a direct effect on the Fund's performance, which depends on the stocks selected.

The Fund presents a risk of loss of capital.

Please refer to the Fund's prospectus to view the exhaustive list of risks.

CHARACTERISTICS

| Units | ISIN Code | Allocation of distributable income | Entry costs | Exit costs | Management fees and other administrative or operating costs | Performance fees |
|----------------------------|--------------|--|-------------|------------|---|----------------------------|
| A EUR Acc | FR001400U4S3 | Accumulation | 1% maximum | None | 1.14% | 20% maximum ⁽¹⁾ |
| A EUR Ydis | FR001400U4T1 | Distribution, carried forward and/or accumulation ⁽²⁾ | 1% maximum | None | 1.14% | 20% maximum ⁽¹⁾ |
| AW EUR Acc | FR001400U4W5 | Accumulation | 1% maximum | None | 1.44% | None |
| AW EUR Ydis | FR001400U4X3 | Distribution, carried forward and/or accumulation ⁽²⁾ | 1% maximum | None | 1.44% | None |
| F EUR Acc ⁽³⁾ | FR001400U4U9 | Accumulation | None | None | 0.64% | 20% maximum ⁽¹⁾ |
| F EUR Ydis ⁽³⁾ | FR001400U4V7 | Distribution, carried forward and/or accumulation ⁽²⁾ | None | None | 0.64% | 20% maximum ⁽¹⁾ |
| FW EUR Acc ⁽³⁾ | FR001400U4Y1 | Accumulation | None | None | 0.94% | None |
| FW EUR Ydis ⁽³⁾ | FR001400U4Z8 | Distribution, carried forward and/or accumulation ⁽²⁾ | None | None | 0.94% | None |

(1) When outperformance is established. The performance fees are based on a comparison over the financial year between the performance of each Fund unit and the annualised performance target, i.e. 2.78% for A units and 3.28% for F units. (2) Depends on distributable amounts (net income or realised net capital gains). Please refer to the prospectus for more information. (3) Accessible (i) to institutional investors investing on a proprietary basis, (ii) to funds of funds, (iii) to packaged products which buy units directly, or on behalf of an end investor, and apply a commission to said investor at product level, (iv) to financial intermediaries who are not authorised to accept and retain inducements, in accordance with regulatory requirements or individual fee arrangements with their clients, and (v) to the Carmignac Group (entities and employees). In the case of institutional investors incorporated in the European Union, the term "institutional investor" refers to an Eligible Counterparty/Professional Investor within the meaning of MiFID II.

HIGH YIELD: A loan or bond rated below investment grade because of its higher default risk. The return on these securities is generally higher.

INVESTMENT GRADE: A loan or bond that rating agencies have rated AAA to BBB-, generally indicating relatively low default risk.

NET ASSET VALUE: The net asset value represents the price of a Fund's share at a given time.

MARKETING COMMUNICATION. Please refer to the KID/prospectus of the Fund before making any final investment decisions.

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Portfolio management company (AMF agreement n° GP 97-08 of 13/03/1997). Public limited company with share capital of € 13,500,000 - RCS Paris B 349 501 676.

Carmignac Gestion Luxembourg - City Link - 7, rue de la Chapelle - L-1325 Luxembourg - Tel: (+352) 46 70 60 1 - Subsidiary of Carmignac Gestion.

UCITS management company (CSSF agreement of 10/06/2013). Public limited company with a share capital of € 23,000,000 - R.C. Luxembourg B 67 549.