

CARMIGNAC CREDIT 2025

FRENCH MUTUAL FUND (FCP)



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INVESTING IN CREDIT MARKETS WITH VISIBILITY AND DIVERSIFICATION

Management Team as 31/03/2023

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

Recommended minimum investment horizon: **5 YEARS**



SFDR Fund Classification** **ARTICLE 6**

Carmignac Credit 2025 is a target date fund implementing a “buy and hold” carry strategy that includes both private and public issuers. The Fund benefits from the strong expertise of its management team and from a disciplined investment process, that enables a rigorous selection of securities. Carmignac Credit 2025 seeks to increase the value of the portfolio over a 5-year horizon, with a specific targeted annualised return for each category of units, as set out in the prospectus⁽¹⁾.

KEY POINTS



A buy and hold carry strategy over a set 5-year period expiring in 2025 offering clear visibility on global credit markets⁽¹⁾.



A conviction-driven investment process designed to seek to identify attractive premia across the various creditmarket segments and to construct a broadly diversified portfolio.



A disciplined risk management through systematic currency hedging and rigorous selection of issuers.



An extensive credit-market expertise: the Fund is powered by a highly experienced management team and their complementary knowledge of the entire credit universe.

RIGOROUS SELECTION OF ISSUERS ACROSS THE ENTIRE INVESTMENT SPECTRUM

In constructing the portfolio, the Fund managers draw on both their convictions and an in-depth analysis of each opportunity examined. This investment process is what enables them to capture complexity premia available in the credit markets, based on a conservative estimate of the fundamental cost of risk⁽²⁾. This analysis is also used to calculate the targeted annualised return for the portfolio over the 5-year period from the Fund’s launch date to its maturity date.

Investment-grade Allocation

Maximum of 100%

Emerging-market corporate-bond allocation⁽³⁾

Maximum of 30%

High Yield⁽⁴⁾ Allocation

Maximum of 50%

Structured credit

Maximum of 40%

Portfolio average rating

Minimum of BBB- or rating considered as equivalent by the management company

Currency risk exposure

Hedged - Euro



*Source: Carmignac, 31/03/2023. 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) For further information on the Fund’s management objective, please see the reverse side of this document or refer to the prospectus of the Fund. The objective does not constitute a promise of return or performance, the performance is not guaranteed. This objective relies on the realisation of the portfolio manager’s market assumptions and does not constitute a promise of returns. Issuers’ actual financial situation may be worse than expected and this may adversely affect the Fund’s performance. (2) Fundamental cost of risk = cumulated probability of default loss in case of default x (1 recovery rate). (3) Investment in government or corporate bond issuers from outside the OECD, including emerging markets. (4) “High Yield” bonds are speculative securities.

CARMIGNAC CREDIT 2025

- **Launch date:** October 2020
- **Investment universe:** Global credit markets. The currency risk is systematically hedged.
- **Objective :** The fund seeks to increase the value of the portfolio over a 5-year horizon using a bond carry strategy that includes both private and public issuers. The investment objective differs depending on the category of units subscribed.
 - **For the A EUR Acc and A EUR Ydis units**, the investment objective is to generate an annualised performance greater than 1.90%, recorded between these units inception date (30 October 2020) and maturity date (31 October 2025).
 - **For the E EUR Acc and E EUR Ydis units**, the investment objective is to generate an annualised performance greater than 1.60%, recorded between these units inception date (30 October 2020) and maturity date (31 October 2025).
 - **For the F EUR Acc and F EUR Ydis units**, the investment objective is to generate an annualised performance greater than 2.30%, recorded between these units' inception date (30 October 2020) and maturity date (31 October 2025).

Annualised performance, generated mainly by the bond carry strategy, is understood as net of management fees. It takes into account the estimate of any foreign exchange hedging costs, defaults calculated by the management company, and any capital losses realised on the resale of certain instruments before their maturity. This objective is based on the fulfilment of market assumptions made by the management company at a particular time (probability of default, debt recovery rate, exercise of early redemption options, depreciation, hedging costs, etc.) that might cease to be valid, which would prevent the fund's performance from reaching its target. Under no circumstances does it constitute an undertaking on the yield or performance of the fund; the performance is not guaranteed.

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 ⁽¹⁾	Transaction fees	Performance fees
A EUR Acc	FR0013515970	Accumulation	1% maximum	None	0.96%	None	None
A EUR Ydis	FR0013515996	Distribution, carried forward and/or accumulation ⁽²⁾	1% maximum	None	0.96%	None	None
E EUR Acc	FR0013516002	Accumulation	None	2% maximum ⁽³⁾	1.26%	None	None
E EUR Ydis	FR0013516010	Distribution, carried forward and/or accumulation ⁽²⁾	None	2% maximum ⁽³⁾	1.26%	None	None
F EUR Acc ⁽⁴⁾	FR0013516028	Accumulation	1% maximum	None	0.56%	None	None
F EUR Ydis ⁽⁴⁾	FR0013516036	Distribution, carried forward and/or accumulation ⁽²⁾	1% maximum	None	0.56%	None	None

(1) This estimate is based on actual costs over the past year. (2) Depends on the type of income (net income or net realised capital gains). For more details, please refer to the prospectus of the Fund. (3) Gradually regressive fee applicable considering the investment period. For more details, please refer to the prospectus of the Fund. (4) 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 incentives, 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.

MARKETING COMMUNICATION. Please refer to the KID/prospectus of the Fund before making any final investment decisions. Source: Carmignac, 31/03/2023. This is a marketing communication. This document may not be reproduced, in whole or in part, without prior authorisation from the management company. This document does not constitute a subscription offer, nor does it constitute investment advice. Past performance is not necessarily indicative of future performance. Performance is net of fees (excluding possible entrance fees charged by the distributor). The Sustainable Finance Disclosure Regulation (SFDR) 2019/2088 is a European regulation that requires asset managers to classify their funds as either "Article 8" funds, which promote environmental and social characteristics, "Article 9" funds, which make sustainable investments with measurable objectives, or "Article 6" funds, which do not necessarily have a sustainability objective. For more information, please refer to <https://eur-lex.europa.eu/eli/reg/2019/2088/oj>. The decision to invest in the promoted fund should take into account all its characteristics or objectives as described in its prospectus. Carmignac Credit 2025 is a common fund in contractual form (FCP) conforming to the UCITS Directive under French law. Access to the Fund may be subject to restrictions with regard to certain persons or countries. The Fund is not registered in North America, South America, Asia or Japan. The Funds are registered in Singapore as a restricted foreign scheme (for professional clients only). The Fund has not been registered under the US Securities Act of 1933. The Fund may not be offered or sold, directly or indirectly, for the benefit or on behalf of a "U.S. person", according to the definition of the US Regulation S and/or FATCA. The Fund presents a risk of loss of capital. The risks and fees are described in the KID (Key Information Document). The Fund's prospectus, KID and annual reports are available at www.carmignac.com, or upon request to the Management Company. The KID must be made available to the subscriber prior to subscription. The Management Company can cease promotion in your country at any time. Investors have access to a summary of their rights in English at the following links (paragraphe 6 "Summary of investor rights"): • France: https://www.carmignac.fr/en_GB/article-page/regulatory-information-3863; • Luxembourg: https://www.carmignac.lu/en_GB/article-page/regulatory-information-1385.