Key Information Document

Purpose

This document provides you with key information about this investment Product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this Product and to help you compare it with other products.

Product

Engagement ISR
a compartment of Valboa
Product Manufacturer : LBO France Gestion
C ISIN : LU1885494549
Address : 148, rue de l'Université, 75007 Paris, France – Website : www.lbofrance.com. Please call + 33 1 40 62 75 62 for more information.www.lbofrance.com
The Commission de Surveillance du Secteur Financier (CSSF) is responsible for supervising LBO France Gestion
LBO France Gestion authorised in France and supervised by the Autorité des Marchés Financiers (AMF).
Valboa authorised as a UCITS in Luxembourg and supervised by the Commission de Surveillance du Secteur Financier (CSSF) .
Production date of the Key Information Document : 24.04.2024

Warning : You are about to purchase a Product that is not simple and may be difficult to understand.

What is this Product ?

Type
This Product is a sub-fund of Valboa, an open-ended umbrella Fund, organized as a Luxembourg investment company with variable capital (a "SICAV"), a UCITS investment Fund.

Term
The lifespan of the Product is not limited.

Objectives
The investment objective of the Product is to outperform the index CAC Mid & Small net dividend reinvested (the "CACMS" or the "Benchmark") through a stock picking approach of the investment in equities.
The Product is actively managed and references the Benchmark for performance comparison purposes. As indicated above, the Product's objective is to exceed the performance of the Benchmark. The Benchmark only consists in an outperformance target for the Product.
The Product will be exposed to a minimum of 60% in French shares.
More specifically, because of its eligibility for the PEA tax regime and its "French Shares" classification, the Product's equity investment is at least 75% of the net assets in French securities or in the euro zone.
The investment process is as follows:
All investments made by the Product will comply with the exclusion list.
The investment process further breaks down into three complementary stages:
(i) the first step of the strategy starts with applying an ESG analysis to the investment universe in order to rank its issuers.
(ii) The second step consists in investing in companies trading at a significant discount to their potential whenever the in-depth financial and extra-financial analysis ensures that this discount can be reduced overtime by working on multiple levers.
(iii) The third step of the strategy combines a financial and extra-financial approach. The implementation of these levers requires managements and boards to be open-minded and willing to engage in a constructive dialogue to create long term value. Engagement means working in a constructive manner to realize value-enhancement potential in operations, corporate strategy/organizational structure, financial management and corporate governance.
The Product is not authorised to enter into any securities
financing transaction as defined in the SFTR or total return swaps or other financial derivative instruments with similar characteristics. Should the Compartment decide to enter into this type of operations in the future, the prospectus would be updated in accordance with the relevant regulations and CSSF Circulars in force.
The Product will not use temporary acquisitions and sales of securities. Thus, the investment strategy will in no way imply the use of temporary acquisitions and sales of securities.
The Product is actively managed.
Benchmark : CAC Mid & Small net dividend reinvested
The fund manager has full discretion over the investments made.
The currency of the Product is Euro (EUR).
You will not receive any dividend from the Product.
You must also assume the risk of receiving a lower amount than your original investment.

Intended investor
This share class is intended for all investors. This Product may not be appropriate for investors who plan to withdraw their money within 5 years.

Practical information
Depositary : CACEIS Bank, Luxembourg Branch
Redemptions are pooled by the Depositary up until 12:00 a.m. (Luxembourg time) the day before each valuation day (or the first preceding business day if this date is not a business day) and executed on the basis of the relevant net asset value, that is, at price unknown.
Additional information, the prospectus and the most recent annual and semi-annual reports as well as the most recent prices may be obtained at no charge from the registered office of the company in English.
The latest published prices of the class, the information regarding the net asset value, the calculations of the monthly performance scenarios and the past performances of the Product are available on the website www.lbofrance.com.

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

Risk Indicator

1	2	3	**4**	5	6	7

Lower risk **Higher risk**

The summary risk indicator assumes you keep the Product until maturity end of the recommended holding period (5 years).
The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator is a guide to the level of risk of this Product compared to other products. It shows how likely it is that the Product will lose money because of movements in the markets or because we are not able to pay you.

We have classified this product as 4 out of 7, which is a medium risk class. This rates the potential losses from future performance at a medium level, and poor market conditions could impact the capacity of the distributor to pay you.

In addition, you will be exposed to the following risks (not captured in the synthetic risk indicator), namely:

Small capitalisation: The Compartment invests significantly in smaller companies which can carry a higher risk because their prices may be subject to higher market fluctuations than those of larger companies.

Liquidity risk: Liquidity risk exists when particular investments are difficult to purchase or sell. This can reduce the Compartment's returns because the Compartment may be unable to transact at advantageous times or prices. This can be the result of shocks of unprecedented intensity and severity such as but not limited to pandemics and natural disasters.

Concentration risk: To the extent that the Compartment's investments are concentrated in a particular country, market, industry or asset class, the Compartment may be susceptible to loss due to adverse occurrences affecting that country, market, industry or asset class.

Credit risk and interest rate risk: The Compartment invests in bonds, cash or other money market instruments. There is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are rated as sub-investment grade. An increase in interest rates may cause the value of fixed-income securities held by the Compartment to decline. Bond prices and yields have an inverse relationship, when the price of a bond falls the yield rises.

For further information concerning the risks of your investment, we recommend that you consult the prospectus of the Compartment. It is available at the registered office of the company.

This Product does not include any protection from future market performance so you could lose some or all of your investment.

Performance Scenarios

The figures shown include all the costs of the Fund itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.
What you will get from this Fund depends on future market performance. Market developments in the future are uncertain and cannot be accurately predicted.
The unfavourable, moderate and favourable, scenarios presented represent examples using the best and worst performances, as well as the average performance of the Fund and/or the appropriate benchmark indicator over the last 10 years.
Markets could develop very differently in the future.
The stress scenario shows what you might get back in extreme market circumstances.
Investment EUR 10,000

The recommended holding period is 5 years.		If you exit after 1 year	If you exit after 5 years (recommended holding period)
Scenarios			
Minumun	There is no minimum guaranteed return. You could lose some or all of your investment.		
Stress scenario	What you might get back after costs	EUR 2,080	EUR 2,000
	Average return each year	-79.2%	-27.5%
Unfavourable scenario	What you might get back after costs	EUR 6,800	EUR 7,120
	Average return each year	-32.0%	-6.6%
Moderate scenario	What you might get back after costs	EUR 9,890	EUR 10,390
	Average return each year	-1.1%	0.8%
Favourable scenario	What you might get back after costs	EUR 16,100	EUR 13,040
	Average return each year	61.0%	5.5%

This table shows the money you could get back over the recommended holding period of 5 years, under the different scenarios, assuming you invest EUR 10,000.
Unfavourable scenario : this scenario occurred for an investment between 09/2017 and 09/2022.
Moderate scenario : this scenario occurred for an investment between 02/2017 and 02/2022.
Favourable scenario : this scenario occurred for an investment between 06/2016 and 06/2021.

What happens if LBO France Gestion is unable to pay out ?

The Product's ability to pay out would not be affected by the insolvency of the manufacturer. You may however face a financial loss should the Depositary default on its obligations. Such default risk is limited as the Depositary is required by law and regulation to segregate its own assets from the assets of the Product. There is no compensation or guarantee scheme in place which may offset, all or any of, these potential losses.

What are the costs ?

The person advising on or selling this Product may charge you other costs. If so, this person will provide you with information about these costs and how they affect your investment over time.

Costs over time

The tables show the amounts that are taken from your investment to cover different types of costs. These amounts depend on how much you invest, how long you hold the product. The amounts shown here are illustrations based on an example investment amount and different possible investment periods.
We have assumed:
- In the first year you would get back the amount that you invested (0% annual return). For the other holding periods we have assumed the product performs as shown in the moderate scenario ;
- EUR 10 000 per year is invested

Investment EUR 10,000	If you exit after 1 year	If you exit after 5 years (recommended holding period)
Total costs	EUR 668	EUR 1,965
Annual cost impact (*)	6.7%	3.6% each year

(*) This illustrates how costs reduce your return each year over the holding period. For example, it shows that if you exit at the recommended holding period your average return per year is projected to be 4.32% before costs and 0.77% after costs.

Composition of Costs

Investment EUR 10,000 and annual cost impact if you exit after 1 year

One-off costs upon entry or exit		If you exit after 1 year
Entry costs	This includes distribution costs of 4.00% of the invested amount. This is the most you will be charged. The person selling you the Product will inform you of the actual charge.	EUR 400
Exit costs	We do not charge an exit fee for this Product (but the person selling the Product may do).	EUR 0
Ongoing costs (taken each year)		
Management fees and other administrative or operating costs	2.68% of the value of your investment per year. This figure is based on actual costs over the past year.	EUR 268
Transaction costs	none	EUR 0
Incidental costs taken under specific conditions		
Performance fees and carried interest	Description : The Product is subject to a Performance Fee of 15% above the benchmark CAC Mid & Small net dividend reinvested over the reference period of five (5) annual crystallization periods, on a rolling basis, including cases when its absolute performance is negative.	EUR 0

These tables shows the impact the different costs have on the investment return you might get back at the recommended holding period and the meaning of the different cost categories.

How long should I hold it and can I take the money out early ?

Recommended holding period : 5 years
This Product is designed for medium term investments ; you should be prepared to stay invested for at least five years. However, you can redeem your investment without penalty at any time during this time, or hold the investment longer.
Redemptions are pooled by the Depositary up until 12:00 a.m. (Luxembourg time) the day before each valuation day (or the first preceding business day if this date is not a business day) and executed on the basis of the relevant net asset value, that is, at price unknown.

How can I complain ?

If you have a complaint about the Product or the conduct of LBO France Gestion, you may contact us by post : 148, rue de l'Université, 75007, Paris, France or by email to reclamation@lbofrance.com. We will handle your request and provide you with a response in due course.

Other relevant information

Performance scenarios : You can find previous performance scenarios updated on a monthly basis at www.lbofrance.com.
Past performance : You can download the past performance over the last 4 year(s) from our website at www.lbofrance.com.

Details of the Management Company's up-to-date remuneration policy are available on the following website https://www.lbofrance.com/ under "Regulatory information". A paper copy of the remuneration policy will be made available free of charge to shareholders upon request to the Management Company.

The Product promotes environmental, social and governance (ESG) characteristics and is subject to Sustainability Risks as further described below under section 5.9 "Sustainability Risks Likely Impacts". The Product classifies as Article 8(1) SFDR as it promotes a combination of ESG characteristics, although no reference benchmark has been designated for the purpose of attaining the environmental or social characteristics. The investments underlying this financial product do not take into account the EU criteria for environmentally sustainable economic activities, in the context of the Taxonomy Regulation, and as a consequence thereof, the "do no significant harm" principle does not apply to the investments underlying this Product.

This information document is updated at least annually.