ANNEX V

Template periodic disclosure for the financial products referred to in Article 9, paragraphs 1 to 4a of Regulation (EU) 2019/2088 and Article 5, first paragraph, of Regulation (EU) 2020/852

Sustainable investment means an investment in an economic activity that contributes to an environmental or social objective, provided that the investment does not significantly harm any environmental or social objective and that the investee companies follow good governance practices.

The **EU Taxonomy** is a classification system laid down in Regulation (EU) 2020/852, establishing a list of **environmentally sustainable economic activities**. That Regulation does not lay down a list of socially sustainable economic activities. Sustainable investments with an environmental objective might be aligned with the Taxonomy or not.

Product name: CARMIGNAC PORTFOLIO GRANDE EUROPE **Legal entity identifier:** 549300PB34J11FU0KE75

Sustainable investment objective

1. Did this financial product have a sustainable investment objective?

☒ **Yes**	☐ **No**
☒ It made **sustainable investments with an environmental objective:** 10 % ☐ in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy	☐ 2. It **promoted Environmental/Social (E/S) characteristics** and while it did not have as its objective a sustainable investment, it had a proportion of ___% of sustainable investments ☐ with an environmental objective in economic activities that qualify as environmentally sustainable under the EU Taxonomy ☐ with an environmental objective in economic activities that do not qualify as environmentally sustainable under the EU Taxonomy ☐ with a social objective
☒ It made **sustainable investments with a social objective:** 30 %	☐ It promoted E/S characteristics, but **did not make any sustainable investments**

To what extent was the sustainable investment objective of this financial product met ?

The Sub-Fund's sustainable objective was to invest at least 80% of its net assets in shares of companies that are considered aligned with relevant United Nations Sustainable Development Goals ("the SDGs"). The minimum levels of sustainable investments with environmental and social objectives were respectively 10% and 30% of the Sub-Fund's net assets

Alignment is defined for each investment / (investee) company by meeting at least one of the following three thresholds:

- **a) Products and services:** the company derives at least 50% of its revenue from goods and services that are reated to one of the following nine SDGs: (1) No Poverty, (2) No Hunger, (3) Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or
- **b) Capital expenditure:** the company invests at least 30% of its capital expenditure in business activities that are related to one of the following nine SDGs (1) No Poverty, (2) No Hunger, (3)

Good Health and Well Being, (4) Quality Education, (6) Clean Water, (7) Affordable and Clean Energy, (9) Industry, Innovation and Infrastructure, (11) Sustainable Cities and Communities, (12) Responsible Consumption and Production; or

c) **Operations:**

i. the company achieves an "aligned" status for operational alignment for at least three (3) out of all seventeen (17) of the SDGs, based on the evidence provided by the investee company of available policies, practices and targets addressing such SDGs. An "aligned" status represents an operational alignment score of ≥2 (on a scale of -10 to +10) as determined by the external scoring provider; and

ii. the company does not achieve a "misaligned" status for operational alignment for any SDG. A company is considered "misaligned" when its score is ≤-2 (on a scale of -10 to +10), as determined by the external scoring provider.

Sustainability indicators measure how the sustainable objectives of this financial product are attained.

The Sub-Fund contributes through its investments to the following environmental objectives: climate change mitigation and climate change adaptation. The Sub-Fund does not have as its objective a carbon footprint reduction aligned with the Paris Agreement but aims to achieve carbon emissions 50% lower than its reference indicator (STOXX 600 Europe), measured monthly by carbon intensity (tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol).

No breach of the attainment of the sustainable objective have been identified during the year.

How did the sustainability indicators perform?

This Sub-Fund has used the following sustainability indicators to measure the attainment of the sustainable objective :

1) **The coverage rate of ESG analysis**: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. In 2023, the coverage rate of ESG analysis was 96.3% of issuers, on average, based on 4 quarters ends data.

2) **The amount the equity universe was reduced by (minimum 20%):**

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices were identified using an international norms and rules-based approach on the following: (a) controversies against the OECD business guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and UN Global compact principles, (b) controversial weapons, (c) thermal coal mining, (d) power generation companies, (e) tobacco, (f) adult entertainment.

ii) Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, the companies with a MSCI ESG rating of CCC were excluded. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue were excluded. The universe was further reduced by the number of companies deemed not aligned according to our SDG alignment assessment, as described above.

In 2023, the universe was reduced by 51.5% of the portfolio, on average, based on 4 quarters ends data. Our sustainable investment definition changed in July 2023 to incorporate the SDG alignment to operations and the capex alignement threshold to 50% from 30%. Therefore, the average percentage of universe reduction given above reflects the sustainable investment definition in place at the time: using the previous SDG framework in Q1 and Q2 and the current SDG framework in Q3 and Q4.

3) **Alignment with Sustainable Development Goals:** the Sub-Fund made sustainable investments whereby a minimum of 80% of the Sub-Fund's net assets, which align positively with relevant United Nations SDGs. In 2023, 95.9% of the Sub-Fund's net assets were invested according to this positive screening, on average, based on 4 quarters ends data. The levels of sustainable investments with environmental and social objectives were respectively 25.5% and 70.1% of the Sub-Fund's net assets, on average, based on 4 quarters ends data. Our sustainable investment definition changed in July 2023

to incorporate the SDG alignement to operations and a change to the capex alignement threshold to 50% from 30%. Therefore, the average percentage of sustainable investments given the above, reflects the sustainable investment definition in place at the time: using the previous SDG framework in Q1 and Q2 and the current SDG framework in Q3 and Q4 2023 respectively.

4) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies are measured by folloiwng indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings. In 2023, we engaged with 60 companies at Carmignac level, and 6 companies at Carmignac Portfolio Grande Europe level. At Sub-Fund level, we voted for 97.3% of the meetings where we have shareholder or bondholder righs to exercise.

5) Low-carbon intensity target: the Sub-Fund aimed to achieve carbon emissions 50% lower than its reference indicator (STOXX 600 Europe), measured monthly by carbon intensity (tCO2/mEUR revenue); aggregated at portfolio level (Scope 1 and 2 of GHG Protocol). As of 29/12/2023, the carbon dioxide emissions of the Carmignac Portfolio Grande Europe portfolio (measured tCO2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol) were 78.2% lower than those of its reference indicator (Stoxx 600 (Reinvested net dividends).

6) Principal adverse impacts: Furthermore, this Sub-Fund committed to applying the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 related to Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators (selected by the Sustainable Investment team for pertinence and coverage) will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, sustaWater usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio (optional choice).

In 2023, we switched to MSCI as our data provider to monitor the PAIs from Impact Cubed in 2022 because it offered more transparency and greater flexibility to build our own tools using the raw data provided by MSCI. Please find below the performance of the principal adverse impacts indicators for the year 2023, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	1463.52	100%
GHG Scope 2	Scope 2 GHG emissions	1185.07	100%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	54675.60	99%
Total GHG	Total GHG emissions	57335.35	99%
Carbon footprint	Carbon footprint	94.53	99%
GHG intensity	GHG intensity of investee companies	416.65	99%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	2%	99%
Non-renewable energy consumption and production	Share of non-renewable energy consumption and production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	56%	78%
Energy consumptionintensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	0.11	87%
Energy consumption intensity - NACE SectorA	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A(Agriculture, forestry and fishing)	0.00	87%
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	0.00	87%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	0.10	87%
Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning	0.92	87%

	supply)		
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	0.00	87%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	0.00	87%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	0.00	87%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	0.00	87%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	0.00	87%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	0%	100%
Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	0.00	0%
Hazardous waste	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	0.36	40%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	0.00	3%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.00	100%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	0.37	100%
Gender pay gap	Average unadjusted gender pay gap of investee companies	15%	23%
Board gender diversity	Average ratio of female to male board members in investee companies	42%	100%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	0.00	100%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	732.39	72%

…and compared to previous periods?

This Sub-Fund has used the following sustainability indicators to measure the attainment of the sustainable objective :

1) **The coverage rate of ESG analysis**: ESG integration through ESG scoring using Carmignac's proprietary ESG platform "START" (System for Tracking and Analysis of a Responsible Trajectory) is applied to at least 90% of issuers. As of 30/12/2022, the coverage rate of ESG analysis was 100% of issuers.

2) **The amount the equity universe is reduced by (minimum 20%):** Negative screening and exclusions of unsustainable activities and practices reflected in low ESG scores from START, MSCI and or ISS scores and reserach are performed based on following indicators : (a) practices that are harmful to society and the environment, (b) controversies against the OECD business guidelines and UN Global compact principles, (c) controversial weapons, (d) coal mining activity, (d) power companies that have not Paris alignment objectives in place, (e) carbon intensity limits, (f) companies involved in tobacco production, (g) companies involved in adult entertainment. Extended exclusions include the oil and gas sector, conventional weapons, gambling and alcohol. In addition, the Companies with a MSCI ESG rating of CCC are excluded. Companies with Co2 intensity greater than 500 tCO2/ mUSD revenue are excluded. The universe is further reduced by the number of companies deemed not aligned according to our SDG alignment assessment. As of 30/12/2022, the universe was reduced by 71.52% of the portfolio.

3) **Alignment with Sustainable Development Goals:** the Sub-Fund made sustainable investments whereby a minimum of 50% of the Sub-Fund's net assets were invested in shares of companies that deirve at least50% of its revenues from business activities that have a positive contribution to at least one of the nine SDGs aforementioned. Once a company exceeds this 50% threshold, we consider the company to be 'aligned' for the Sub-fund's entire economic exposure to that company when calculating the overall Sub-fund-level alignment. As of 30/12/2022, 98.8% of the Sub-Fund's net assets were invested according to this positive screening.

4) Active stewardship: Environmental and social related company engagements leading to improvement in companies sustainability policies are measured by folloiwng indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings). In 2022, we engaged with 81 companies at Carmignac level, and 13 companies at Carmignac Portfolio Grande Europe level. At Sub-Fund level, we voted for 100% of the meetings where we have shareholder or bondholder righs to exercise.

The Sub-Fund aimed to have a carbon footprint (measured by carbon intensity) at least 30% lower than its reference indicator's. As of 30th of December 2022, the carbon dioxide emissions of the Carmignac Portfolio Grande Europe portfolio (measured tCO_2/ mUSD revenue converted to Euros; aggregated at portfolio level (Scope 1 and 2 of GHG Protocol) were-79.1% lower than those of its reference indicator (Stoxx 600 (Reinvested net dividends).

Furthermore, this Sub-Fund is committed to applying the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 related to Principal Adverse Impacts whereby 14 mandatory and 2 optional environmental and social indicators (selected by the Responsible Investment team for pertinence and coverage) will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling (optional choice), Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio (optional choice).

Please find below the performance of the principal adverse impacts indicators for the year 2022, based on average quarter-end data, for the equity and corporate bond portions of the portfolio:

PAI Indicators	Based on company reported	Fund	Coverage
GHG Scope 1	Scope 1 GHG emissions	**3000**	99%
GHG Scope 2	Scope 2 GHG emissions	**2290**	99%
GHG Scope 3	From 1 January 2023, Scope 3 GHG emissions	**177072,5**	99%
Total GHG	Total GHG emissions	**182365**	99%
Carbon footprint	Carbon footprint	**302,1**	99%
GHG intensity	GHG intensity of investee companies	**793,9525**	99%
Exposure to fossil fuels	Share of investments in companies active in the fossil fuel sector	**4%**	99%
Non-renewable energy consumption	Share of non-renewable energy consumption of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**54%**	99%
Non-renewable energy production	Share of non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage	**19%**	99%
Energy consumptionintensity - Total	Energy consumption in GWh per million EUR of revenue of investee companies - Total	**0,1625**	99%
Energy consumption intensity - NACE SectorA	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector A(Agriculture, forestry and fishing)	**N/A**	99%
Energy consumption intensity - NACE SectorB	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector B (Mining and quarrying)	**N/A**	99%
Energy consumption intensity - NACE SectorC	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector C (Manufacturing)	**0,14**	99%

Energy consumption intensity - NACE Sector D	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector D (Electricity, gas, steam and air conditioning supply)	**1,805**	99%
Energy consumption intensity - NACE Sector E	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector E (Water supply; sewerage; waste management and remediation activities)	**N/A**	99%
Energy consumption intensity - NACE Sector F	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector F (Construction)	**N/A**	99%
Energy consumption intensity - NACE Sector G	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector G (Wholesale and retail trade; repair of motor vehicles and motorcycles)	**0,09**	99%
Energy consumption intensity - NACE SectorH	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector H (Transporting and storage)	**N/A**	99%
Energy consumption intensity - NACE Sector L	Energy consumption in GWh per million EUR of revenue of investee companies - NACE Sector L (Real estate activities)	**N/A**	99%
Biodiversity	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	**0%**	99%
Emissions to water	Tons of emissions to water generated by investee companies per million EUR invested, expressed as a weighted average	**56,4025**	99%
Hazardous waste	Tons of hazardous waste generated by investee companies per million EUR invested, expressed as a weighted average	**0,18**	99%
Water usage and recycling	Average amount of water consumed and reclaimed by the investee companies (in cubic meters) per million EUR of revenue of investee companies	**240,16**	99%
Violations of UNGC/OECD	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**0%**	99%
Processes to monitor UNGC / OECD compliance	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance /complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	**20%**	99%
Gender pay gap	Average unadjusted gender pay gap of investee companies	**87%**	99%
Board gender diversity	Average ratio of female to male board members in investee companies	**37%**	99%
Controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	**0%**	99%
Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	**58,5425**	99%

Principal adverse impacts are the most significant negative impacts of investment decisions on sustainability factors relating to environmental, social and employee matters, respect for human rights, anti-corruption and anti-bribery matters.

How did the sustainable investments not cause significant harm to any sustainable investment objective?

We used the following mechanisms to ensure our sustainable investments do not cause significant harm to any environmental or social sustainable investment objective:

1) Universe reduction process:

i) Firm-wide: Negative screening and exclusions of unsustainable activities and practices were identified using an international norms and rules-based approach on the following: (a) controversies against the OECD business guidelines, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work and UN Global compact principles, (b) controversial weapons, (c) thermal coal mining, (d) power generation companies, (e) tobacco, (f) adult entertainment.

ii) Fund-specific: Extended activity or stricter exclusion criteria cover oil and gas, weapons, gambling, alcohol, power generation and thermal coal mining. In addition, the companies with a MSCI ESG rating of CCC were excluded. Companies with a Co2 intensity greater than 500 tCO2/mEUR revenue are excluded. The universe was further reduced by the number of companies deemed not aligned according to our SDG alignment assessment.

2) Active stewardship: ESG-related company engagements contributing to better awareness or improvement in companies' sustainability policies are measured by following indicators: (a) level of active engagement and voting policies, (b) number of engagements, (c) rate of voting and (d) participation at shareholder and bondholder meetings.

How were the indicators for adverse impacts on sustainability factors taken into account?

According to Carmignac approach defined, the Principal Adverse indicators are monitored on a quarterly basis. Adverse impacts are identified for degree of severity. After internal discussion an action plan is established including a timeline for execution. Company dialogue is usually the preferred course of action to influence the company's mitigation of adverse impacts, in which case the company engagement is included in the quarterly Carmignac Engagement plan according to the Carmignac Shareholder Engagement policy. Disinvestment may be considered with a predetermined exit strategy within the confines of this aforementioned policy.

Were sustainable investments aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights? Details:

Carmignac applies a controversy screening process on OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights for all its investments across all Sub-funds.

Carmignac acts in accordance with the United Nations Global Compact (UNGC) principles, the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work, and the Organisation for Economic Co-operation and Development (OECD) guidelines for multinational enterprises to assess companies' norms, including but not limited to human rights abuses, labour laws and standard climate related practices.

This Sub-Fund applies a controversy screening process for all of its investments. Companies that have committed significant controversies against the environment, human rights and international labour laws to name the key infractions are excluded. This screening process bases the indentification of controversies on the OECD Business Guidelines and UN Global compact principles and is commonly called norms-based screening, integrating a restrictive screening monitored and measured through Carmignac's proprietary ESG system START. A company controversy scoring and research is applied using data extracted from ISS ESG as the research data base.

How did this financial product consider principal adverse impacts on sustainability factors?

Carmignac has committed to apply the SFDR level II 2019/2088 Regulatory Technical Standards (RTS) annex 1 whereby 14 mandatory and 2 optional environmental and social indicators will be monitored to show the impact of such sustainable investments against these indicators: Greenhouse gas emissions, Carbon footprint, GHG intensity (investee companies), Exposure to companies in fossil fuel sector, Non-renewable energy consumption and production, Energy consumption intensity per high-impact climate sector, Activities negatively affecting biodiversity-sensitive areas, Emissions to water, Hazardous waste ratio, Water usage and recycling, Violations of UN Global Compact principles or OECD Guidelines for Multinational Enterprises, Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact and OECD Guidelines for Multinational Enterprises, Unadjusted gender pay gap, Board gender diversity, Exposure to controversial weapons, Excessive CEO pay ratio.

What were the top investments of this financial product?

The list includes the investments constituting **the greatest proportion of investments** of the financial product during the reference period which is:

Please find below the average top investments based on 12 month end data for 2023 for the equity section of the portfolio:

Larger investments	Sector	% Assets	Country
NOVO NORDISK AS	Health Care	8.37%	Denmark
SAP AG	Information Technology	6.06%	Germany
L'OREAL SA	Consumer Staples	5.79%	France
LONZA GROUP AG	Health Care	5.04%	Switzerland
ALCON	Health Care	4.54%	Switzerland
SCHNEIDER ELECTRIC SE	Industrials	4.42%	France
ASML HOLDING NV	Information Technology	4.36%	Netherlands
DEUTSCHE BOERSE AG	Financials	4.13%	Germany
ESSILOR INTERNATIONAL	Health Care	4.00%	France
ARGENX SE	Health Care	3.97%	Belgium
ASSA ABLOY AB	Industrials	2.95%	Sweden
GENMAB A/S	Health Care	2.87%	Denmark
PUMA SE	Consumer Discretionary	2.77%	Germany
KINGSPAN GROUP PLC	Industrials	2.77%	Ireland
CAPGEMINI	Information Technology	2.72%	France

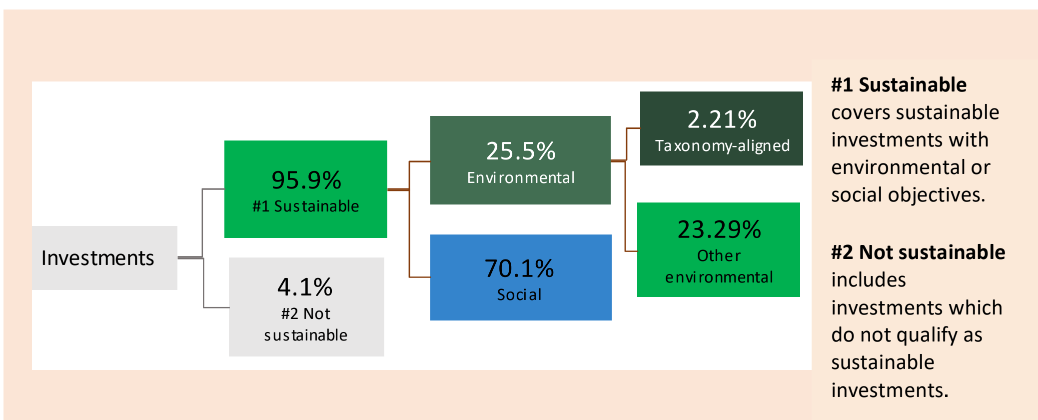
Source: Carmignac, 29.12.2023

What was the proportion of sustainability-related investments?

In 2023, 95.9% of the Sub-Fund’s net assets were invested in sustainable investments, on average, based on 4 quarters ends data.

Asset allocation describes the share of investments in specific assets.

What was the asset allocation?



In 2023, 95.9% of the Sub-Fund’s net assets were invested in shares of companies that were positively aligned with relevant United Nations SDGs Sustainable Development Goals aforementioned.

In addition,in 2023, 25.5% of the Sub-Fund’s net assets were invested in sustainable investments with environmental objectives, and 70.1% in sustainable investment with social objectives, on average, based on 4 quarters ends data.

The "#2 Not sustainable investments” include cash and derivative instruments, which may be used for hedging, if applicable. These instruments are not used to achieve the sustainable objective of the Sub-Fund. In 2023, 4.1% of the Sub-Fund’s net assets were invested in non sustainable investments. These were investments made strictly in accordance with the Sub-Fund's investment strategy. All such investments aresubject to ESG analysis and to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

In which economic sectors were the investments made?

Please find below the average top sectors based on 12 month end data for 2023:

Larger economic sectors	% Assets
Health Care	40.5%
Information Technology	18.9%
Industrials	13.7%
Financials	9.9%
Consumer Staples	6.7%
Consumer Discretionary	3.9%
Utilities	2.06%
Materials	1.55%
Cash	*2.8%*

Source: Carmignac, 29.12.2023

To what extent were sustainable investments with an environmental objective aligned with the EU Taxonomy?

To comply with the EU Taxonomy, the criteria for **fossil gas** include limitations on emissions and switching to fully renewable power or low-carbon fuels by the end of 2035. For **nuclear energy**, the criteria include comprehensive safety and waste management rules.

Enabling activities directly enable other activities to make a substantial contribution to an environmental objective.

Transitional activities are activities for which low-carbon alternatives are not yet available and among others have greenhouse gas emission levels corresponding to the best performance.

As of 29/12/2023, 2.21% of the sustainable investments with an environmental objective were aligned with the EU Taxonomy.

Did the financial product invest in fossil gas and/or nuclear energy related activties complying with the EU Taxonomy[1]?

☐ Yes:

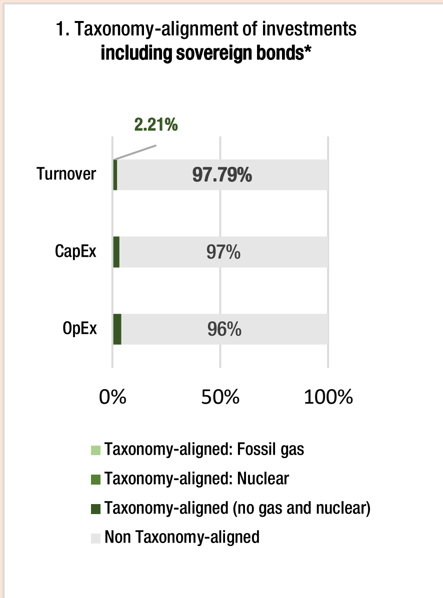
☐ In fossil gas ☐ In nuclear energy

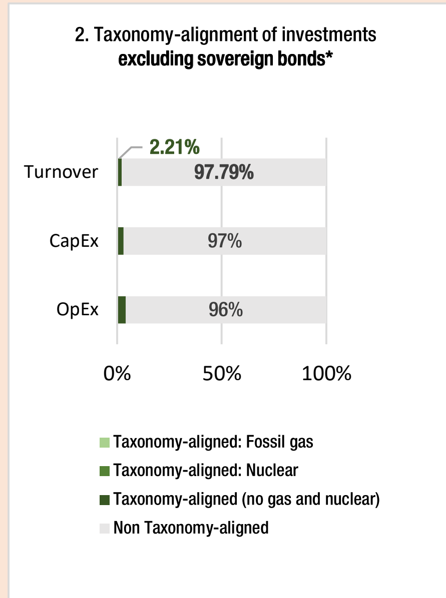
☒ No:

[1] Fossil gas and / or nuclear related activities will only comply with the EU Taxonomy where they contribute to limiting climate change ("climate change mitigation") and de not significantly harm any EU Taxonomy objectives - see explanatory note in the left hand margin. The full criteria for fossil gas and nuclear energy economic activities that comply with the EU Taxonomy are laid down in Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-aligned activities are expressed as a share of:
- **turnover** reflecting the share of revenue from green activities of investee companies
- **capital expenditure** (CapEx) showing the green investments made by investee companies, e.g. for a transition to a green economy.
- **operational expenditure** (OpEx) reflecting green operational activities of investee

The graphs below show in green the percentage of investments that were aligned with the EU Taxonomy. As there is no appropriate methodology to determine the taxonomy-alignment of sovereign bonds*, the first graph shows the Taxonomy alignment in relation to all the investments of the financial product including sovereign bonds, while the second graph shows the Taxonomy alignment only in relation to the investments of the financial product other than sovereign bonds.





**** For the purpose of these graphs, 'sovereign bonds' consist of all sovereign exposures.***

What was the share of investments made in transitional and enabling activities?

Not applicable.

How did the percentage of investments aligned with the EU Taxonomy compare with previous reference periods?

In 2022, the percentage of investements aligned with the EU taxonomy was 8%.

are sustainable investments with an environmental objective that **do not take into account the criteria** for environmentally sustainable economic activities under the EU Taxonomy.

What was the share of sustainable investments with an environmental objective that were not aligned with the EU Taxonomy?

The minimum levels of sustainable investments with environmental objective not aligned with the EU Taxonomy is 10% of the Sub-Fund's net assets. In 2023, 23.29% of the Sub-Fund's net assets were invested in sustainable investments with environmental objectives, on average, based on 4 quarters ends data.

What was the share of socially sustainable investments?

The minimum level of sustainable investments with social objectives is 30% of the Sub-Fund's net assets. In 2023, the level of sustainable investments with social objectives was 70.1% of the Sub-Fund's net assets, on average, based on 4 quarters ends data.

What investments were included under “not sustainable”, what was their purpose and were there any minimum environmental or social safeguards?

In addition to sustainable investments, the Sub-Fund may invest in cash, and cash equivalent instruments, for liquidity management purposes. The Sub-Fund may also invest in derivatives instruments, for hedging purposes.

To the extent that the Sub-Fund enters into short positions by using single issuer derivative instruments, the firm-wide exclusions are applied. The derivatives on single issuers examined for adherence to global norms on environmental protection, human rights, labor standards and anti-corruption, through controversy (“norms-based”) screening. More precisely, the investments are subject to a screening of minimum safeguards to ensure that their business activities are aligned with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

What actions have been taken to meet the sustainable investment objective during the reference period?

The below listed actions were conducted at Carmignac in 2023 in order to support the investment process in meeting environmental /social characteristics :

<u>ESG Integration</u>

- We have continued to develop our proprietary ESG system called START that aggregates raw ESG-related company data into one interface, which includes impact, carbon and controversy data as well as proprietary analysis from our analysts.
- We developed a United Nation’s Sustainable Development Goal (SDGs) operational alignment methodology for use across a broad selection of our funds. This methodology helps us to assess the extent to which a company’s operational practices are aligned with the UN SDGs.

<u>Sustainability Reporting</u>

- We have added ESG data into our fund level reports for our Article 8 and 9 funds detailing ESG indicators performance versus our benchmarks and their investment alignment to the UN Sustainable Development Goals.
- We have further refined our focus on 3 key sustainability themes: climate change (C), empowerment (E) and leadership (L). We have published a guide for our investee companies about our ESG expectations related to these themes: https://carmidoc.carmignac.com/ESGGUIDE_FR_en.pdf.

<u>Stewardship</u>

- 100% Voting Target: we have succeeded in participating in close to 100% (95% in 2023) of all possible annual general meeting votes. We have engaged with 60 companies on ESG issues and started to report quarterly on key voting stats and examples of engagements.
- Stewardship code: We have been approved by the FRC to become signatory of the Stewardship Code by complying with all principles, as formalized in our annual Stewardship Report: https://carmidoc.carmignac.com/SWR_FR_en.pdf
- Regulatory Consultation: Comprehensive input to the European Commission’s consultations either directly, or through our fund associations working groups EFAMA, AI,UK, Alfi Luxembourg and AFG, France. We have been asked to present to the French Regulator our methodology for reducing investment universe based on ESG criteria without sector biases, which has been retained in the context of new industry-wide guidelines.

Transparency

- We have created a new Sustainable Investment Hub on our website to value our ESG approach, policies and reports: https://www.carmignac.fr/en_GB/sustainable-investment/overview
  We have launched an ESG Outcomes Calculator so that investors can assess the social and environmental contributions of their investments in our responsible and sustainable funds. Our ESG Outcomes Calculator is primarily an educational tool to help them understand what their savings are indirectly funding. It reflects our commitment to transparency, reinforcing our sustainable investment approach.
  It is available here: https://www.carmignac.fr/en_GB/sustainable-investment/esg-outcomes-calculator

Collaborative engagements

Carmignac sees value in both direct and collaborative engagement, and it is the combination of both which leads to the most influential and effective stewardship. It is by joining forces that investors can most effectively influence investee companies on material ESG issues, including market-wide and systemic risks, and ultimately help improve the functioning of markets. With this in mind, we have increased our involvement with Climate 100+.

More specifically regarding engagements, our fiduciary responsibility involves the full exercise of our rights as shareholders and engagement with the companies in which we are invested. Dialogue is maintained by financial analysts, portfolio managers and ESG team. We believe that our engagement leads to a better understanding of how companies manage their extra-financial risks and significantly improve their ESG profile while delivering long-term value creation for our clients, society and the environment. Our engagement may concern one of five considerations: 1) ESG risks, 2) an ESG theme, 3) a desired impact, 4) controversial behaviour, or 5) a voting decision at a General Meeting. Carmignac may collaborate with other shareholders and bondholders when doing so would help influence the actions and governance of companies held in the portfolio. In order to ensure that the company correctly identifies, foresees and manages any potential or confirmed conflict of interest situation, Carmignac has put in place and maintains policies and guidelines. For more information on our engagement policies, please visit the website.

In 2023, we engaged with 60 companies on ESG specific topics at Carmignac level, and with 6 companies in this particular fund.
We engaged with L'Oréal SA in 2023 as the Issuer is a significant holding in our portfolio. We monitor it to ensure it continues to have a strong commitment to source responsibly, phase out undesirable chemicals and design environmental standards into products.

The meeting was an opportunity for Carmignac to provide feedback to the Issuer on its sustainability strategy. The issuer has set ambitious targets in place on environmental and social KPIs, and we acknowledge its progress so far.

The key points of the discussion were: Living wage in the supply chain; Product safety; Biodiversity targets; Usage of biobased products; Sustainable packaging.

We were encouraged that, unlike some peers, the Issuer has set targets in its supply chain, in addition to its own operations. Also, the Issuer has made significant progress in increasing the usage of bio-based products and introducing refillable products.

We did note, however, that on its social supply chain living wage target commitments, the work has just started and therefore, we will continue to observe this topic for further developments.

How did this financial product perform compared to the reference sustainable benchmark?

Not Applicable.

How did the reference benchmark differ from a broad market index?

Not Applicable

How did this financial product perform with regard to the sustainability indicators to determine the alignment of the reference benchmark with the sustainable investment objective?

Not Applicable

How did this financial product perform compared with the reference benchmark?

Not Applicable

How did this financial product perform compared with the broad market index?

Not Applicable

Reference benchmarks are indexes to measure whether the financial product attains the environmental or social characteristics that they promote.